

(26,700)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1918.

No. 614.

MECCANO, LIMITED, PETITIONER,

VS.

JOHN WANAMAKER, NEW YORK.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT
OF APPEALS FOR THE SECOND CIRCUIT.

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Original.

United States Circuit Court of Appeals for the Second Circuit.

MECCANO, LIMITED, Complainant-Appellee,

vs.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Transcript of Record.

Appeal from the District Court of the United States for the Southern District of New York.

Office Supreme Court, U. S. Filed Aug. 13, 1918.

JAMES D. MAHER, *Clerk.*

1 In the District Court of the United States for the Southern District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED,

vs.

JOHN WANAMAKER, NEW YORK.

Unfair Competition. Copyright Infringement. Patent Infringement.

Bill of Complaint.

To the Honorable the Judges of the District Court of the United States for the Southern District of New York:

Your Orator, Meccano Limited, a British corporation, brings this its Bill of Complaint against John Wanamaker, New York.

And thereupon your Orator complains and says:

I.

Your Orator, said Meccano Limited, is a limited corporation duly created and existing under and by virtue of the laws of the Kingdom of Great Britain, with its principal office and place of business in the City of Liverpool, England, and is managed by its Managing Director, Frank Hornby, of Liverpool, England.

2 Upon information and belief, the defendant, John Wanamaker, New York, is a corporation created and existing under and by virtue of the laws of the State of New York, having an

office and place of business in the Borough of Manhattan, City and State of New York, in the aforesaid Southern District of New York.

Said John Wanamaker, New York, deals in certain toy building outfits known as the "American Model Builder," and also separate parts such as contained in said outfits; and said defendant puts out manuals of instruction, catalogues, circulars, and other literature, and otherwise advertises said outfits and parts thereof, and offers the same for sale and sells the same, in the District aforesaid and elsewhere within the United States. And said acts by said defendant aforesaid constitute unfair competition with your Orator with respect to its toy building outfits known as "Meccano"; and also constitute infringement of your Orator's Copyrights and Letters Patent, as hereinafter set forth.

And this Honorable Court has jurisdiction, under the sub-section First of Section 24 and under Sections 51-53 of the Judicial Code (approved March 3, 1911), because the complainant, Meccano Limited, is an alien, being a subject of the King of Great Britain, while the defendant is a citizen of the State of New York, and a resident and inhabitant of the Southern District of New York, and is engaged in committing, within said District, and elsewhere within the United States, the unlawful acts of unfair competition hereinafter complained of, and because the subject matter here in controversy, exclusive of interest and costs, greatly exceeds the sum or value of

Three Thousand Dollars (\$3,000.00); and also, under sub-section Seventh of said Section 24 of said Code, because this suit involves copyright infringement and patent infringement as below set forth.

II.

Heretofore, said Frank Hornby, then and now a subject of the King of Great Britain and a resident of Liverpool, aforesaid, and one of the creators and organizers of your Orator, Meccano Limited, and Managing Director thereof at all times since its incorporation, invented and produced a novel and unique toy and educational device or building outfit, comprising certain carefully and scientifically designed and dimensioned units, consisting of flat strips, angular strips, plates, etc., all of metal, and having pluralities of certain carefully and scientifically located, spaced, and dimensioned holes, and metal fastening devices for securing together two or more of said units, together with other elements, such as wheels, axles, worm-wheels, etc., all of said units and elements representing the main mechanical parts used in machinery, and being standardized and made to interfit and to be interchangeable. Said units and devices are adapted to be employed for producing a great variety of structures simulating on a small scale, and as a toy and educational device, mechanical constructions, apparatus, appliances, and articles; and your Orator, Meccano Limited, and its predecessors, Elliott & Hornby, have for many years been putting the same on the market in Great Britain and other countries of the civilized world, in various

so-called "outfits" or sets, and have given the same the trade-name "Meccano." In particular, your Orator has been continuously putting its said Meccano outfits on the market in the United

4 States beginning with the year 1909, and your Orator and its predecessors, Elliott & Hornby, have been marketing said outfits in Great Britain for the past thirteen years or more.

And your Orator further avers, upon information and belief, that your Orator's "Meccano" was the first and hence the "pioneer" toy, device, or building outfit of its character and principle, consisting of metal parts, exploited in the United States or elsewhere.

The commercial exploitation of the device in Great Britain was begun by, and all the rights in the same, the business therein, and the goodwill of said business were owned by said Frank Hornby and one David Q. Elliott, both of Liverpool, England, and doing business as Elliott & Hornby, with headquarters in said City of Liverpool. Thereafter, about the year 1908, Meccano Limited was organized and incorporated, as aforesaid, and the good-will and other property of said Elliott & Hornby relating to said business was purchased by and duly transferred to said Meccano Limited.

III.

There are at present, and have been for some time past, seven different main Meccano outfits, designated progressively as "O" to "6," respectively, and also six different accessory or supplemental Meccano outfits designated progressively from "OA" to "5A," respectively. Your Orator's Meccano main outfit "No. O" consists of definite numbers of certain different units and parts, respectively, as

5 above set forth; your Orator's next main outfit, "No. 1," comprises the same numbers of the same units, parts, etc., as found in said outfit "No. o," together with certain additional units, parts, etc.; and in like manner each succeeding main Meccano outfit comprises duplicates of all the parts in the next lower outfit, with additional units included to make a fuller or larger set. The contents of the Meccano accessory or supplemental outfit "OA," when added to said main outfit "O," constitutes precisely the next main Meccano outfit "No. 1" aforesaid, and so on progressively for each accessory outfit (which can be added to the main outfit just below it to constitute the next higher main outfit). The price of any main Meccano outfit plus the price of the next accessory Meccano outfit makes precisely the price of the next higher Meccano outfit; and it is a common and ordinary course of business that the purchaser will buy one of the lower Meccano outfits, as No. 1 or No. 2, and from time to time enlarge it by buying successive accessory outfits (No. 1A, No. 2A, etc.). So that the sale of one or more of your Orator's smaller Meccano outfits creates a continuing and progressive demand for other Meccano outfits of higher order, in what may be designated the Meccano system.

IV.

All the Meccano units of one type (whether long strips, or short strips, or angle strips, rectangular plates, sector plates, fastening devices, or other parts) are standardized—that is to say, they are of identical shape and dimensions for each and all of the various Meccano outfits aforesaid (whether main outfits or accessory outfits);

6 fits); and all the various Meccano strips and plates aforesaid have a plurality of perforations of the same size and of the same distance apart, and the distance from each edge or margin of each and all of said units to the nearest perforations is identically the same in all of said units—whereby the uniform Meccano fastening devices can secure together any two of said units, interchangeably with all of the other units in each and all of said Meccano outfits. It results, that your Orator's Meccano toy and educational device aforesaid constitutes the means for simulating, on a small scale, an almost unlimited variety of model constructions; and your Orator's said Meccano outfits are intended to be used, and have been extensively used, not only for the amusement of children and adults, but for their education along mechanical lines, and in stimulating and interesting the minds of the young and training them in ingenuity of designing and in accuracy and facility of manipulation of mechanical parts. In short, your Orator's said Meccano outfits are, both as individual outfits, and collectively as a system of expansible outfits, absolutely novel, unique, and sui generis; and many, if not all, of the various metallic units or separate parts thereof, are likewise novel and original with your Orator and its predecessors; furthermore, said metallic parts individually, and also collectively as outfits, present a distinctive appearance, by reason of their shapes, exact dimensions, size, and positioning of the openings therein, and the exact measurements between said openings, which distinctive appearance, and also the interchangeability and interfitting of parts of successive outfits, have come to be recognized by the trade,

7 users, and purchasers as characteristic of Meccano outfits, and as identifying such parts and outfits as the product and output of your Orator.

V.

The Meccano outfits, main and accessory, as manufactured and sold for some years past, and particularly as put upon the market in the United States at present and beginning in the year 1909, have been presented in the form of a distinctive and attractive package, in boxes of distinctive size (varying with the sizes of the outfits) coloring and labeling, with the interior of the boxes partitioned into compartments, and the metal and other parts making up each outfit grouped and disposed in the compartments in a distinctive and attractive manner, all of which characteristics have come to be recognized by the trade, purchasers and users as identifying such packages as the product and output of your Orator.

VI.

In connection with its aforesaid Meccano System of outfits, your Orator and its predecessors, since the beginning of the exploitation of Meccano, have been putting forth, in connection with the outfits, certain printed manuals of instructions, and particularly your Orator has, in the exploitation of Meccano in the United States during the past seven years, supplied one of said manuals of instructions with each main outfit sold. With the smallest main outfit No. O,

your Orator supplies a small book of instructions designated
 8 at first "Meccano Royal * * * Book of Instructions,"
 and later "Meccano No. O Outfit * * * Book of Instructions," containing illustrations of mechanical models capable of being made from the parts of said outfit, and also containing written directions and instructions as to the making of the models, and other information useful to the purchaser of such an outfit. With each of the other main outfits (larger than No. O), your Orator supplies a larger book of instructions, the same for each outfit, entitled "Meccano * * * Manual of Instructions for the Whole Series of Models," also containing illustrations of mechanical models, written directions and instructions, including indications as to which of the models can be made from the smaller simpler outfits, and which of the models require the larger and more expensive outfits, and other information useful to the purchaser.

The Manual of Instructions furnished with each outfit constitutes an important and essential part thereof, and the sale of smaller outfits with their manuals of instructions, fosters, inspires, encourages and advertises the sale of succeeding larger outfits.

Your Orator has also issued, particularly in the United States, since the beginning of the exploitation of Meccano in said United States, certain other printed and advertising matter, looklets and circulars.

The aforesaid manuals of instructions and the aforesaid other printed and advertising matter have been presented in distinctive sizes, style of printing, with distinctive illustrations
 9 and wording, presenting characteristics which have come to be identified by the trade, purchasers and customers of your Orator, with the business of your Orator in Meccano.

Your Orator, being the proprietor of the aforesaid Meccano books of instructions, duly copyrighted the same within the United States, securing thereon copyright registrations, amongst others, as follows:

On the aforesaid "Meccano Royal * * * Book of Instructions" Registration No. 291,375, dated June 22, 1911;

On the aforesaid "Meccano * * * Manual of Instructions for the Whole Series of Models" as issued for the year 1911, Registration No. 294,670, dated August 14th, 1911;

In securing the aforesaid copyright registrations, and each of them, your Orator complied with all the requirements of the Copyright Law in force July 1, 1909, and as subsequently amended, by publication of said Manuals of Instructions in the United States,

with notice of copyright as required; by thereafter, in each instance, filing with the Register of Copyrights of the United States an Application for Copyright, including as part thereof an affidavit, such as required, under the official seal of an officer authorized to administer oaths, stating that the typesetting, printing, and binding of the book had been performed within the United States, and giving the exact date of publication of the book. With each of said applications there was filed with the Register of Copyrights two printed copies of the book copyrighted. Specimens of your Orator's aforesaid

10 Meccano Outfits complete, as sold within the United States, and of the aforesaid Manuals of Instructions, and Certificates of the aforesaid Copyright Registrations, are ready here in Court to be produced.

VII.

The creation and production by your Orator, and its predecessors, of the metal and other parts constituting the Meccano outfits, with the particular dimensions, shapes, hole measurements, the number and grouping of parts to constitute outfits of different and progressive sizes, the determination of the relationship between succeeding outfits, the interchangeability and interfitting of parts, the presentation of the outfits in the form of distinctive and attractive packages, the original creation of models from the parts of the outfits, which models are illustrated in the books of instructions, the determination of the relationship of such models to the Meccano outfits of different and progressive sizes, all as recited in paragraphs II, III, IV and V of this Bill of Complaint, have individually and collectively involved the exercise of creative and original thought, ingenuity and skill, experimentation, trouble and expense on the part of your Orator and its predecessors.

Furthermore, the writing, planning, arrangement and illustrating of your Orator's said manuals or books of instructions, referred to in paragraph VI hereof, the getting up of the same in a distinctive and attractive manner, and the copyrighting thereof, have involved the exercise of much and a high degree of intellectual labor, original and creative skill, trouble and expense on the part of your

11 Orator and its predecessors.

VIII.

About the year 1909 your Orator, Meccano Limited, first introduced its said Meccano outfits and system into the United States, and from August 6th, 1909, to September 5, 1913, or thereabouts, continuously had, as its exclusive American Agents, The Embossing Company, a corporation duly organized and existing under and by virtue of the laws of the State of New York, with its principal place of business in the City of Albany, in said State. Since said September, 1913, or thereabouts, The Meccano Company, Inc., a New York corporation, has been your Orator's principal agent in the United States, said The Embossing Company also continuing as a

non-exclusive agent. During the time said The Embossing Company was thus your Orator's exclusive agent, and also since that time, large sums of money have been expended in placing said Meccano outfits on the market in the United States, in advertising the same, and in educating the public to the many educational and entertaining possibilities of Meccano, as the result of which, extensive sales have been made in the United States, the trade and public generally throughout the United States have for some time past recognized and do now recognize the fact that outfits and a system of outfits, such as those of your Orator, are novel and original with your Orator and its predecessors, and are the peculiar product of your Orator. A large, valuable and profitable business reputation and good will have
12 been built up and maintained therein in the United States and elsewhere; and a demand created by your Orator for its said Meccano, which demand your Orator has at all times been ready and willing to supply; and your Orator has been enjoying, and still enjoys, large financial returns from its United States business in its said Meccano, which returns it would be enjoying to a still greater extent but for the unlawful doings of this defendant and others acting in concert with it, as hereinafter set forth.

IX.

That on the 14th day of October, 1912, Frank Hornby, being, within the meaning of the Statutes of the United States then in force, the inventor of certain improvements in Flanged Metallic Plates for use in the construction of working models, toys or the like, and the combination of such plates with one or a plurality of other perforated mechanical elements, with means for securing said plates and elements together, and being entitled to a patent thereon under the provisions of said Statutes, duly filed in the United States Patent Office an application for Letters Patent for said invention; and that on the 18th day of November, 1913, all of the requirements of the Statutes of the United States then in force having been duly complied with Letters Patent of the United States No. 1,079,245 were duly issued on said application to the said Frank Hornby, which said Letters Patent, or a certified copy thereof, your Orator will produce as this Court shall direct.

That by an instrument in writing bearing date of November 3rd, 1913, duly executed and delivered, and duly recorded in the
13 United States Patent Office on or about November 17th, 1913, in Liber W. 93, page 123, of the Transfer of Patents, said Frank Hornby duly sold, assigned and transferred unto your Orator, Meccano Limited, its successors and assigns, the whole right, title and interest in and to said Letters Patent No. 1,079,245, and in and to the inventions and improvements shown, described and claimed in said Letters Patent, as by said instrument in writing with the certificate of recordation affixed thereto, or a duly authenticated copy thereof, here in Court to be produced, will more fully and at large appear.

That your Orator has been at all times since the date of said assignment and is now the exclusive owner of said Letters Patent No. 1,079,245 and of all rights thereunder.

That the merit and popularity of your Orator's sets of building outfits have been greatly enhanced by the development constituting the subject matter of your Orator's said patent.

X.

But now so it is, may it please your Honors, that the Defendant, John Wanamaker, New York, and others confederating with it, well knowing the premises, and with intent to deceive the public and to divert to itself the profits and advantages which rightfully should and otherwise would be flowing to your Orator, and with intent of trading upon the good will and reputation your Orator has established for its product, and to reap the benefits of the time, original and creative ingenuity, skill, energy, and money which your Orator and its predecessors have devoted to the creating, building

14 up and maintaining of the Meccano system and the valuable American business and good will aforesaid, without the license or consent of your Orator, within the Southern District of New York and elsewhere within the United States, and between January 1, 1912, and the date of the execution of this Bill of Complaint, has violated your Orator's rights in the premises, has been guilty of unfair competition with your Orator in the respects hereinafter set forth, and has unlawfully and wrongfully infringed your Orator's registered Copyrights and its Letters Patent aforesaid. And your Orator further avers that the defendant threatens to continue so to infringe.

XI.

Defendant's said wrongful acts and unfair competition consist of putting out, offering for sale, and selling, a progressive system of outfits of metallic building units and parts, composed of the same number of main outfits as those of your Orator, to wit: seven, designated progressively as "1" to "7" inclusive, and the same number of accessory or supplemental outfits as those of your Orator, to wit: six designated progressively as "1½" to "6½" inclusive, all under the trade-name "American Model Builder"; and defendant's said American Model Builder outfits are, respectively, substantially identical with your Orator's corresponding outfits, in the numbers of the respective parts, the dimensions and appearance thereof, and being as outfits interchangeable with your Orator's outfits. Defendant's outfits are also substantially identical with your Orator's outfits in the size, coloring, labeling and partitioning of the boxes containing the parts, and the grouping and arrangement of the parts of the compartments of said box. Substantially all of the metal parts or units of defendant's outfits are substantially identical with your Orator's corresponding metallic parts or units, in appearance, shapes and dimensions, the numbers, size, and relative

locations of holes; and are interchangeable with your Orator's said parts or units.

Defendant's said wrongful acts and unfair competition also consist in putting out, offering for sale, and selling, separate parts such as contained in said American Model Builder outfits.

Defendant's said wrongful acts and unfair competition also consist of putting out, in conjunction with its aforesaid outfits, certain books of instructions, entitled for example, "The American Model Builder Complete Manual of Instruction," which books contain copies, counterfeits and simulations of models originated and created by your Orator and its predecessors, and which books substantially copy, counterfeit and simulate your Orator's aforesaid Manuals of Instructions (particularly those on which your Orator has secured copyright registration as hereinbefore recited) in appearance, size, printing, plan, arrangement, ideas, illustrations, and descriptive and other language, and in respect to other details, unnecessary to be herein recited.

Defendant's said wrongful acts also consist of offering for sale and selling, separately and as parts of each outfit in the progressive system of American Model Builder outfits, the flanged metallic plates and certain perforated mechanical elements to be combined with
16 said plates, all in infringement of said Patent No. 1,079,245, and in violation of your Orator's exclusive rights secured thereunder.

Defendant's said unlawful and wrongful infringement of your Orator's aforesaid registered Copyrights, No. 291,375, dated June 22, 1911, and No. 294,670, dated August 14, 1911, consists in Defendant's aforesaid sale and distribution of American Model Builder books and printed matter copied and counterfeited from your Orator's books and containing material and substantial parts thereof, on which books of your Orator said copyright registrations were granted, and more particularly said American Model Builder books have been prepared from your Orator's said copyrighted Meccano Manual of Instructions for 1911 and copyrighted Meccano Royal Book of Instructions, and made to contain illustrations of various structures illustrated in your Orator's manuals and books aforesaid—Defendant's said infringing manual containing substantially the same tabulated enumerations of the units or parts required for each of said structures, and containing also substantially the same classified enumeration of the contents of Defendant's various regular and accessory outfits, with the price thereof—all in substantial accordance and parallelism with, and in infringement of, your Orator's said copyrighted Meccano manuals. And the Defendant has advertised and offered said imitation and counterfeit American Model Builder outfits, including the subject matter of your Orator's said patent, both
by means of said manuals and otherwise, as interchangeable
17 with your Orator's Meccano outfits and units, and as taking the place of the latter; and, in particular, the Defendant has offered said accessory American Model Builder outfits as standardized with and supplemental to your Orator's main Meccano outfits already in the hands of purchasers, Defendant intending that said imitation

accessory outfits should take the place of your Orator's Meccano accessory outfits aforesaid; and the Defendant has offered and is offering said American Model Builder outfits at retail at prices lower than those on Meccano; and (by reason of the substantially identical appearance of American Model Builder units and outfits and your Orator's corresponding units and outfits) Defendant has caused and is causing and tending to cause confusion in the minds of the trade and purchasers as to the origin of the goods, and the belief that said American Model Builder product is that of your Orator.

Specimens of Defendant's said American Model Builder outfits, Manual of Instructions, and other printed matter, are ready here in Court to be produced.

XII.

Your Orator avers that for several years prior to 1912, at which time the said American Model Builder made its first appearance on the market, your Orator (through its aforesaid agent The Embossing Company) had done with the Defendant herein a large and ever increasing business in Meccano outfits and separate parts, and that Defendant had made and continued to make elaborate displays or demonstrations of Meccano in its aforesaid place of business, and

18 had sold many Meccano outfits and many separate parts, all to the great advantage and profit of your Orator. And your Orator further avers that, beginning with the appearance on the market in 1912 of said American Model Builder, said Defendant became an extensive purchaser and seller of said American Model Builder outfits and separate parts; and that, as a consequence of its dealing in said American Model Builder product, said Defendant's orders for and sales of Meccano product were very greatly reduced; that said Defendant, beginning with 1912 and continuing until 1916 refused to permit your Orator or its agent to continue said display or demonstration of Meccano in Defendant's said place of business; that said defendant, beginning with 1912, has discontinued its former display or demonstration of Meccano in its said place of business, and that said Defendant has substituted for said Meccano display or demonstration an elaborate display or demonstration of said American Model Builder product—all to the great and irreparable injury of your Orator.

And your Orator is informed and believes, and therefore avers, that customers for and prospective purchasers of your Orator's said Meccano product have been induced by said Defendant to accept American Model Builder product in place thereof; that customers visiting the aforesaid place of business of said Defendant, for the purpose and with the intention of buying your Orator's aforesaid product, have in reality bought in place thereof the American Model Builder product; and that some of said American Model Builder product has been billed by said Defendant to customers as "Meccano."

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XIII.

The Defendant has carried on to a large extent the wrongful acts hereinbefore charged and set forth, and though duly notified of your Orator's rights in the premises and of its own wrongful and unlawful acts aforesaid and requested to desist therefrom, has refused and still continues to refuse to desist, and is preparing and threatening to carry on said unlawful acts to a still greater extent in violation of your Orator's exclusive rights, as aforesaid, and to the further deception and damage of the public. By reason of the wrongful acts herein complained of, Defendant has thereby realized and received large gains and profits, but to what extent your Orator is ignorant, and therefore prays a discovery thereof. Your Orator has been greatly damaged by the said wrongful and unlawful acts on the part of Defendant, and will be irreparably damaged unless this Honorable Court enjoin the Defendant's said acts herein complained of.

XIV.

Your Orator further shows that, on or about December 24th, 1913, it filed its bill of complaint in the District Court of the United States for the Western Division of the Southern District of Ohio against Francis A. Wagner (trading as The American Mechanical Toy Company) and The Strobel & Wilken Company, an Ohio corporation, charging said defendants with unfair competition and infringement of the registered copyrights and the patent aforesaid, by the acts of said defendants in manufacturing, producing, offering for sale, selling and distributing the said American Model
20 Builder product, and the books and other publications connected therewith—the same as the American Model Builder product, books, publications, etc., which the defendant herein, John Wanamaker, New York, is herein'fore charged to have offered for sale, sold, advertised and distributed, in violation of your Orator's rights as aforesaid.

Due service having been made and an answer filed in said Ohio suit, the case came on regularly to be heard upon full pleadings and proofs (including exhibits) on behalf of both parties. Thereafter, about June 12th, 1916, the Court (Hon. Howard C. Hollister, District Judge, presiding) rendered an opinion favorable to your Orator on all three of the charges of unfair competition, copyright infringement, and patent infringement, as will more fully and at large appear by an authenticated copy of said opinion here in Court to be produced.

Thereupon, on July 8th, 1916, an interlocutory decree was entered in conformity with said opinion, adjudging your Orator's ownership of said registered copyrights and patent, and of the property and other rights in Mecanno—that defendants had committed unfair competition—that said registered copyrights are good and valid and had been infringed—that said Hornby patent No. 1,079,245, as to claims 8, 9 and 10 thereof, is good and valid and had been in-

fringed, that claims 1 to 7, inclusive, are good and valid and had been infringed so far as they embrace the sector plate, but that said claims 1 to 7, so far as they embrace the rectangular plates, are invalid—and awarding an injunction and accounting, all as will more fully and at large appear by reference to said decree or a
21 duly certified copy here in Court to be produced. And said decree still remains in full force and effect, except that the injunction thereby awarded has been suspended pending appeal, said, defendants in said Ohio suit having filed an “Appeal and Superseas Bond” in the sum of \$50,000, the amount fixed by the court, and said appeal is now awaiting the filing by said defendants of a transcript of record in the Circuit Court of Appeals, Sixth Circuit. Following said decree and the allowance of said appeal, the defendants in said Ohio suit moved that the case be reopened for the introduction of alleged newly-discovered evidence, which motion was duly denied by the Court in a memorandum decision of November 11, 1916, upon the ground that “the subject matter of the so-called newly discovered evidence is not of such nature as to warrant the court in changing the views heretofore expressed.”

And for as much as your Orator can have no relief save in this Honorable Court, you Orator prays as follows:

(1). That the defendant John Wanamaker, New York, and its associates, attorneys, successors, assigns, servants, clerks, agents, and workmen, and each and every of them, may be perpetually enjoined and restrained, by writ of injunction issuing out of and under the seal of this Honorable Court, from directly or indirectly competing unfairly with your Orator, Meccano Limited, by making or causing to be made, selling, offering for sale, or causing to be sold, or using or causing to be used, any model builder or toy outfit such as the
22 “American Model Builder,” or any individual parts or units such as contained in said outfits, and any book or manual of instruction such as included with said American Model Builder outfits or otherwise distributed and disseminated—or by copying or imitating any Meccano trade circular, advertisement, or other printed matter—or by imitating the boxes and containers of Meccano outfits, or the arrangement of the contents therein, or the show-case of separate parts, or by otherwise copying, counterfeiting and imitating your Orator's products, or by putting out outfits or units capable of being palmed off and intended by said defendant to be palmed off in place of Meccano outfits and units, or by otherwise using and invading your Orator's business system; from directly or indirectly infringing your Orator's Registered Copyrights No. 291-375 and 294,670, or either of them, by printing, reprinting, publishing, copying, or vending, or by causing to be printed, reprinted, published, copied, or vended, any of the aforesaid books, manuals, or circulars such as have been included with said American Model Builder outfits or otherwise distributed or disseminated; and from directly or indirectly infringing your Orator's Letters Patent No. 1,079,215 by making, selling, or using, or by causing to be made, sold or used, outfits such as the aforesaid American Model Builder, or the units

and parts thereof; and from otherwise committing any act or acts whatsoever in violation of your Orator's exclusive rights in the premises;

(2) That the said defendant, and it associates, attorneys, successors, assigns, servants, clerks, agents and workmen, and each and every of them, may be enjoined, pendente lite, to the same purport, tenor and effect as hereinbefore prayed with respect to the perpetual injunction.

(3) That the defendant may be compelled by an order of this Honorable Court to deliver up to judicial custody for destruction, in manner to be provided in said order, all building outfits or building units and separate parts and Manuals of Instruction in its possession or under its control;

(4) That the said defendant may be required, by a decree of this Honorable Court, to account for and pay over to your Orator all such gains and profits as have accrued or arisen or been earned or received by it, and all such gains and profits as would have accrued to your Orator but for said defendant's unlawful doings aforesaid, and also the damages sustained by your Orator by reason of the unfair competition, copyright infringement and patent infringement herein complained of;

(5) That said defendant be required to pay over to your Orator exemplary damages in the sum of three times the amount of actual damages found to have been sustained;

(6) That the defendant may be decreed to pay the costs of this suit; and

(7) That your Orator may have such other and further relief as to this Court may seem just.

24 To the end, therefore, that the said defendant may, if it can, show why your Orator should not have the relief hereby prayed, and may full, true and direct answer make—but not under oath, answer under oath being expressly waived—according to the best and utmost of the knowledge, information, remembrance and belief of the said defendant or of its officers, to the several matters hereinbefore averred and set forth, as fully and particularly as if the same were repeated, paragraph by paragraph, and said defendant thereto specifically interrogated, may it please your Honors to grant to your Orator a writ of subpoena ad respondendum, issuing out of and under the seal of this Honorable Court, directed to said defendant, John Wanamaker, New York, commanding it to appear and make answer to this bill of complaint, and to perform and abide by such orders and decrees herein as to this Court may seem just.

And your Orator will ever pray.

(Sgd.)

MECCANO, LIMITED,
By FRANK HORNBY,
Managing Director.

(Sgd.)

RALPH L. SCOTT,
Solicitor for Complainant,
233 Broadway, New York City.

(Sgd.)

REEVE LEWIS,
Of Counsel for Complainant.

25 STATE OF NEW YORK,
 County of New York, ss:

Frank Hornby, being duly sworn, deposes and says: That he is of lawful age, a resident of Liverpool, England, and Managing Director of Meccano Limited, the plaintiff named in the foregoing Bill of Complaint; that he has read the said Bill of Complaint subscribed by him as Managing Director of the plaintiff and knows the contents thereof; that the same are true of his own knowledge, except as to the matters alleged to be stated on information and belief, and as to those matters he believes it to be true.

(Signed)

FRANK HORNBY.

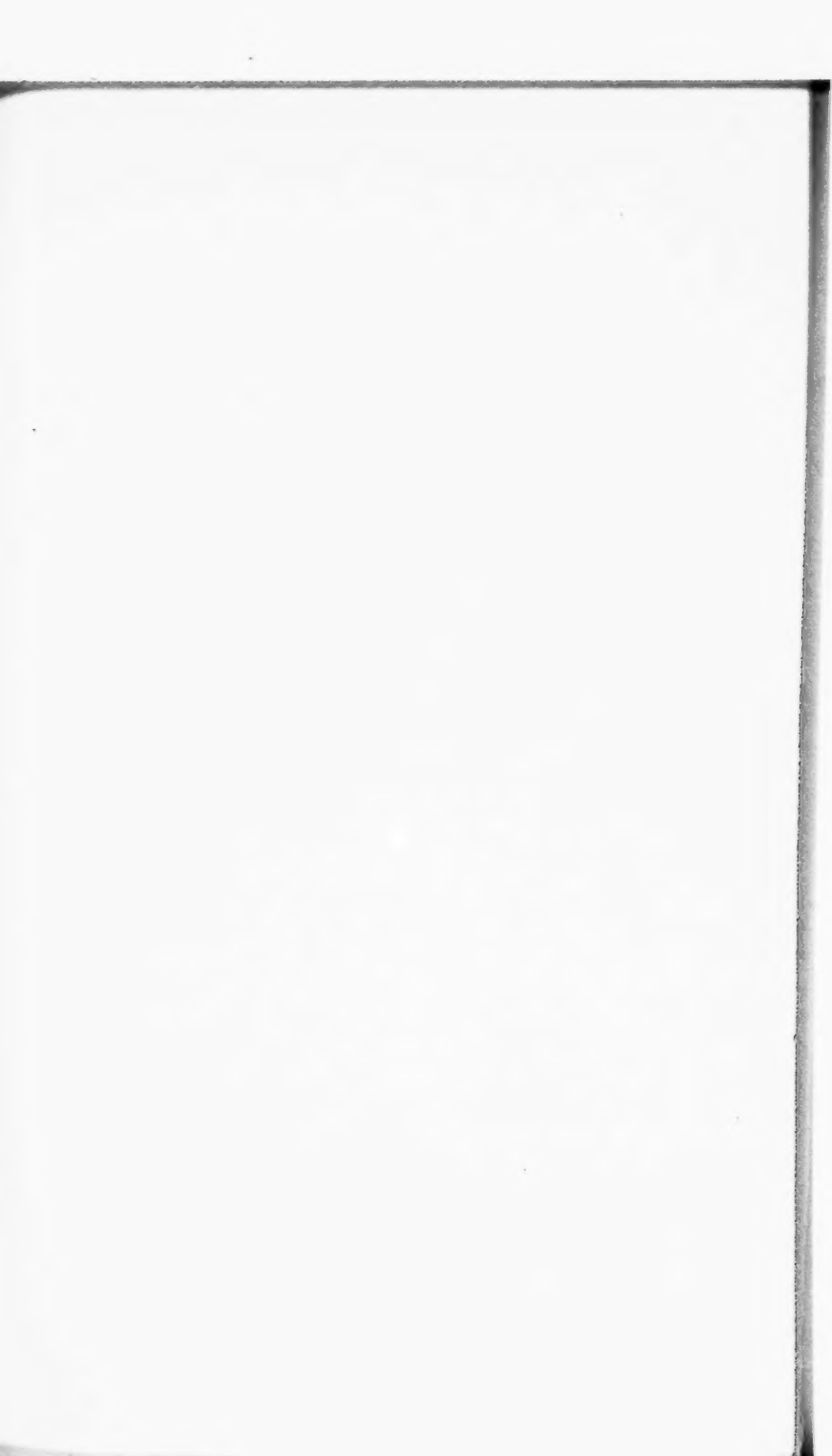
Subscribed and sworn to before me this 9th day of December, 1916.

[SEAL.] (Signed)

WILLARD H. HARTING,
Notary Public, No. 55, Bronx County, N. Y.

Certificate filed in New York County, No. 305.

(Here follow diagrams marked pages 26 to 31, inclusive.)

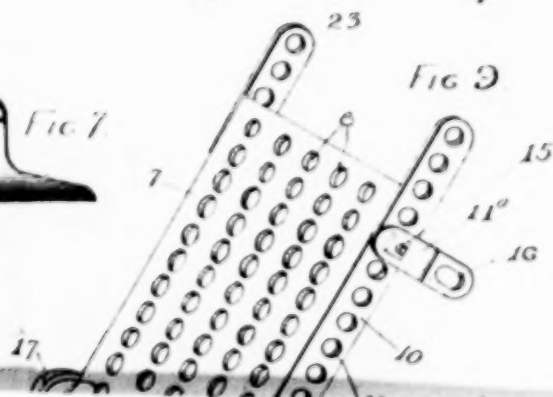
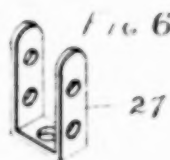
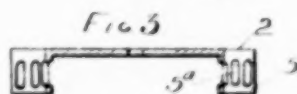
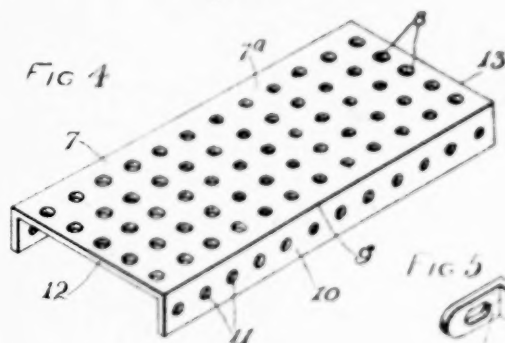
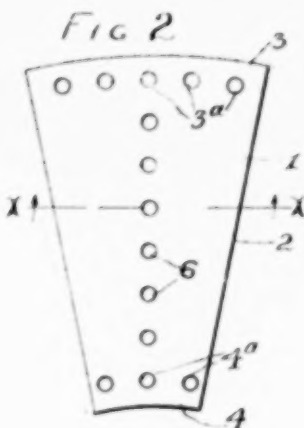
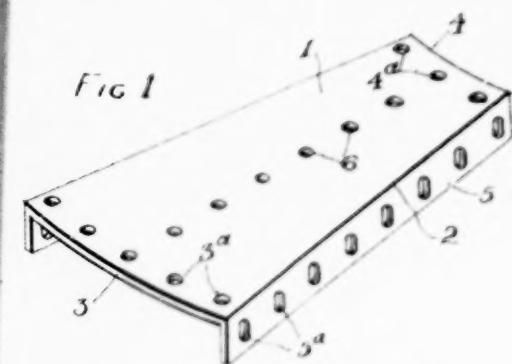


F. HORNEY.
 PERFORATED PLATE.
 APPLICATION FILED OCT. 14, 1912.

1,079,245.

Patented Nov. 18, 1913.

3 SHEETS-SHEET 1



F. HORNBY.
PERFORATED PLATE.

APPLICATION FILED OCT. 14, 1912.

1,079,245.

Patented Nov. 18, 1913

3 SHEETS-SHEET 2

FIG. 10

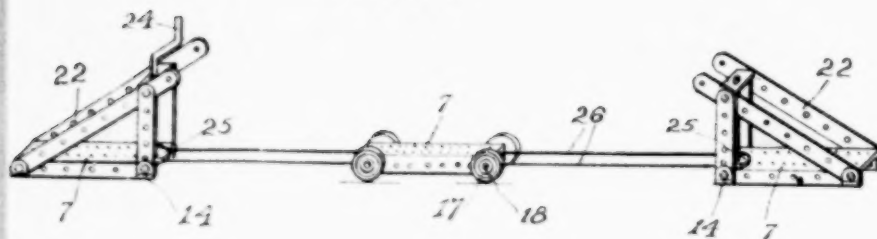


FIG. 11

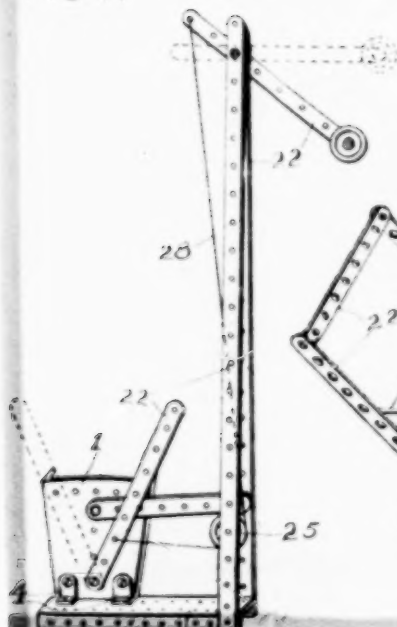
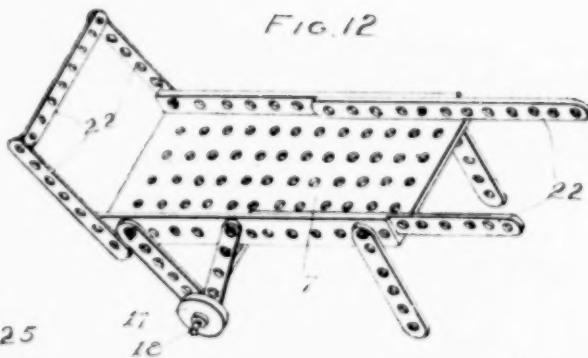


FIG. 12



F. HORNBY.
PERFORATED PLATE.
APPLICATION FILED OCT. 14, 1912.

1,079,245.

Patented Nov. 18, 1913.

3 SHEETS-SHEET 3.

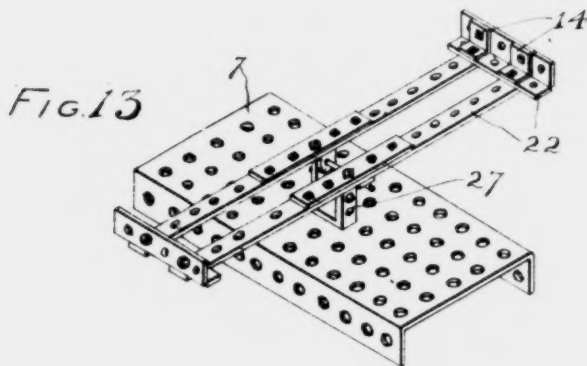


Fig 14

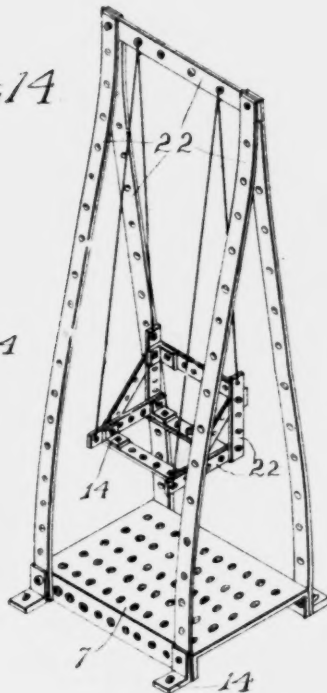
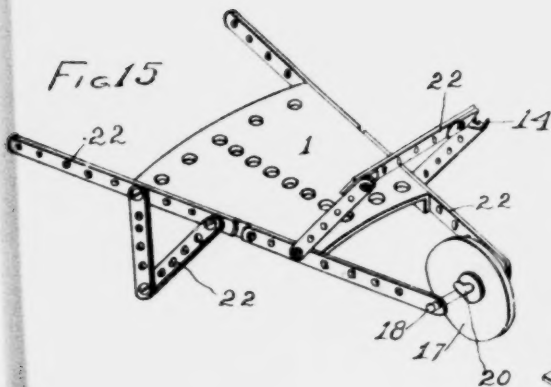


Fig 15



WITNESSES

C. W. D. H. H.

INVENTOR

F. Hornby

32 PLAINTIFF'S EXHIBIT CERTIFIED COPY OF ASSIGNMENT OF
PATENT IN SUIT.

Department of the Interior,

United States Patent Office.

[United States Patent Office Seal.]

Received and Recorded on the 17th day of November, 1913, in
Liber W93, page 123 of Transfers of Patents.

In testimony whereof, I have caused the seal of the Patent Office
to be hereunto affixed.

THOMAS EWING,
Commissioner of Patents.

End.

B. E. C.

Assignment.

For and in consideration of the sum of Five Dollars (\$5.00), to
me, Frank Hornby, of Liverpool, England, in hand paid by Mec-
cano Limited, a corporation duly organized and existing under the
laws of the Kingdom of Great Britain, and having its principal
office in the City of Liverpool aforesaid, and for other valuable and
sufficient consideration, receipt whereof is hereby acknowledged,
I have sold, assigned and conveyed, and do hereby sell, assign and
convey, unto the said Meccano Limited, its successors and assigns,
my entire right, title and interest—

(1) in and to an invention entitled improvements in Perforated
Plates, as described or intended to be described in an application for
letters-patent of the United States, filed October 14th, 1912,
33 Serial No. 725,653, allowed October 23d, 1913, final Govern-
ment fee paid October 23d, 1913; and

(2) in and to said U. S. application, in and to all other applica-
tions for letters-patent (including renewal, divisional and reissue
applications) based upon said improvements in Perforated Plates,
and in and to the patent or patents to be granted thereon, including
extensions and reissues, if any, to the full end of the term or terms
for which said patents may be granted.

And I, said Frank Hornby, hereby covenant and agree that I
will, upon demand of said assignee, its successors or assigns, and
without further consideration to me, execute any and all papers that
may be necessary, or deemed by said assignee, its successors or as-
signs, to be necessary, to a complete fulfilment of the intent and pur-
pose of this assignment, it being expressly understood that any ex-
pense incident to the execution of such papers shall be paid by said
assignee, its successors and assigns, and not by me.

Signed at Liverpool, England, this 3rd day of November, 1913.

(Sgd.)

FRANK HORNBY.

KINGDOM OF GREAT BRITAIN AND IRELAND,
County of Lancaster, City of Liverpool,
Consulate of the United States of America, ss:

On this 3rd day of November, 1913, before me personally appeared Frank Hornby, to me known and known to me to be
 34 the person who executed the foregoing assignment, and to me acknowledged that he executed the same, and that the same is his act and deed as and for the purposes therein set forth.

[United States Consulate Seal, Liverpool.]

(Sgd.)

WM. PIERCE,
U. S. Consular Officer, Deputy Consul of the
United States of America, Liverpool, England.

(American Consular Service \$2.00 Fee Stamp.)

35 United States District Court, Southern District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED,

vs.

JOHN WANAMAKER, NEW YORK.

Answer.

The Answer of John Wanamaker, New York, to the Bill of Complaint Herein.

This defendant, now and at all times hereafter, saving and reserving to itself all, and all manner of benefit and advantage that can or may otherwise be had or taken to the manifold errors, uncertainties, imperfections and insufficiencies in said bill of complaint contained, for answer thereto, or unto so much and such part as it is advised it is material or necessary for them to make answer unto, answering, says:

(1) This defendant denies each and every allegation in said bill of complaint contained, except such as are hereinafter admitted or specifically answered or avoided.

(2) Defendant is not informed, save as alleged in paragraph I of the bill, whether the complainant is a limited corporation organized and existing under the laws of the Kingdom of Great Britain, with its principal office and place of business in Liverpool, England, and, therefore, calls for strict proof as to each of these allegations,
 36 as also to the allegations that said Meccano Limited is managed by its Managing Director, Frank Hornby, of Liverpool, England.

(3) Defendant, further answering said paragraph I, admits that

it is a New York corporation, with a place of business in New York City.

(4) Defendant, further answering paragraph I, admits that it deals in and sells toy outfits known as the "American Model Builder," manufactured by The American Mechanical Toy Company, of Dayton, Ohio, and also deals in and sells separate parts therefor and puts out instruction books, catalogues and other literature in connection therewith; but denies that any of its acts constitute unfair competition with complainant and infringement of complainant's copy-rights and patent. Defendant calls for strict proof of the remaining allegations of said paragraph I.

(5) Defendant, further answering, denies, as alleged in paragraph II of the bill, that Frank Hornby invented and produced a novel and unique toy and educational device or building outfit, consisting of flat strips, angular strips, plates, etc., but avers the fact to be that the material and substantial parts of said alleged invention were well known and public property long before any date alleged by complainant, as will be hereinafter more fully set forth.

(6) Defendant, further answering, says that he is not informed, save by said bill, whether complainant originated the name "Meccano" and is entitled to the exclusive use thereof, and, therefore, calls for strict proof thereof, and also as to complainant's allegations that it has continuously been putting "Meccano" outfits on the American market, beginning with 1909, and that complainant and its predecessors have been marketing its outfits in Great Britain for the past thirteen years or more; and defendant, further answering, denies that complainant's "Meccano" outfit was the first and hence the "pioneer" toy, device or building outfit of its character and principle, exploited in the United States or elsewhere.

(7) Defendant, further answering, says that he is not informed as to the commercial exploitation of plaintiff's device in Great Britain by Frank Hornby and David Q. Elliott and as to the organization of Meccano Limited and, therefore, denies the same and the remaining allegations of said paragraph II and calls for strict proof thereof.

(8) Defendant, answering paragraph III, says it is not informed, save by the bill, as to the designations, contents, characteristics and capabilities of complainant's outfits, but admits the same on information, although it demands strict proof of the allegation of said paragraph that the sale of one or more of complainant's smaller outfits creates a continuing and progressive demand for other outfits of complainant of higher order, and demands strict proof of the other allegations of said paragraph.

(9) Defendant, answering paragraph IV, says it is not informed, save by the bill, as to whether all the Meccano units of one type are standardized and all the strips and plates have a plurality of perforations of the same size and distance apart, whereby the fastening-devices can secure together any two of said units interchangeably with all the other units in all the Meccano outfits, and, therefore, calls for strict proof of the same.

(10) Defendant, further answering said paragraph IV, denies, on

information and belief, that said Meccano outfits, both individually and collectively, are novel, unique and sui generis, and denies that many, if not all, of the various metallic units or separate parts thereof, are likewise novel and original with complainant and its predecessors; and defendant further denies that the metallic parts, individually and collectively as outfits, present a distinctive appearance, by reason of their shapes, dimensions, size, and positioning of openings therein, and that the alleged interchangeability and interfitting of parts have come to be recognized by the trade, users and purchasers as characteristics of Meccano outfits, and as identifying such parts and outfits as the product and output of complainant, but avers, on information and belief, that these things were old and well known long before the time of complainant and its predecessors, all as hereinafter more fully pointed out.

(11) Defendant, further answering, on information and belief, denies the remaining allegations of paragraph IV.

39 (12) Defendant, answering paragraph V, denies, on information and belief, that Meccano outfits, main and accessory, as put upon the American market at present, and beginning in 1909, have been presented in a distinctive and attractive package, in boxes of distinctive size, coloring and labeling, and that the metal and other parts are grouped and disposed in a distinctive and attractive manner, and denies that said alleged characteristics have come to be recognized by the trade, purchasers and users as identifying such packages as the product and output of complainant, and avers that said alleged characteristics were well known long before the time of complainant's predecessors.

(13) Further answering as to complainant's alleged copyrights of 1911 on the books entitled "Meccano Royal * * * Book of Instructions" and "Meccano * * * Manual of Instructions, For the Whole Series of Models," defendant, on information and belief, denies that complainant complied with any or all of the acts required by the statutes of the United States in such cases made and provided, as averred in paragraph VI, and demands strict proof of the averments of the bill in respect to these matters, and as to complainant's custom regarding the distribution of its manuals of instructions and the contents thereof; and demands strict proof of complainant's alleged printed and advertising matter.

(14) Defendant, further answering paragraph VI, says that it is not informed, save by said bill, whether the manual of instructions complainant alleges it furnishes with each outfit constitutes an important and essential part thereof, and whether the sale of smaller outfits, with their manuals of instructions, fosters, inspires, encourages and advertises the sale of succeeding larger outfits, and, therefore, demands strict proof of these matters.

40 (15) Further answering said paragraph VI, defendant avers, on information and belief, that said alleged copyrights, and each of them, were obtained in fraud of the statutes of the United States in such cases made and provided, and constitute an unlawful attempt to obtain copyrights, for the reason that the material and substantial parts of the writings, illustrations and descriptions embodied in each

and both of said books had long prior to the alleged copyrights therefor been published and circulated in books uncopyrighted in the United States, among such books being a Meccano Manual uncopyrighted in the United States and circulated in the United States and elsewhere in 1909 and 1910; a pamphlet entitled "Mechanics Made Easy," published and circulated in 1905 and not marked copyrighted in the United States; and in a pamphlet entitled "Mechanics Made Easy," by Elliott and Hornby, Liverpool, and not marked copyrighted in the United States, but published in 1906.

(16) Further answering said paragraph VI, defendant denies, upon information and belief, that any printed and advertising matter, booklets and circulars referred to in the bill are original with complainant or are the product of creative thought or labor
41 on its part, or are of such exclusive character that they have become identified with complainant's trade and have played a material, distinctive part in the purchase of complainant's articles; denies that they are of any distinctive type, size, etc.; and denies that the illustrations are distinctive in character, method of presentation or form, and have come to be identified by the trade with complainant, as alleged in the bill, and demands strict proof of all such allegations, and of the remaining allegations in said paragraph.

(17) Defendant, answering paragraph VII, denies on information and belief, that the alleged creation and production by complainant and its predecessors of metal and other parts constituting the Meccano outfits, with the alleged characteristics set forth in said paragraph, have individually and collectively involved the exercise of creative and original thought, ingenuity and skill, etc., on the part of complainant and its predecessors.

(18) Further answering said paragraph VII, defendant denies, on information and belief, that the writing, planning, arrangement and illustrating, etc., of the books of instruction referred to, or either of them, involved intellectual labor, creative or original skill, trouble or expense, and demands strict proof thereof and of the remaining allegations of said paragraph.

(19) Further answering, on information and belief, defendant
42 denies that the catalogues and manuals it has dealt in were produced by any use, any copying, and any paraphrasing or other resort to complainant's copyrighted manuals and catalogues, and avers, on information and belief, that F. A. Wagner, of The American Mechanical Toy Co., when he was getting up the 1912 manual, had not seen any copyrighted manual of complainant, and had only seen the uncopyrighted manual of complainant published and circulated in 1909 and 1910.

(20) Further answering, on information and belief, defendant avers that said 1912 catalogue and manuals were original productions of said F. A. Wagner, assisted by other persons, including engravers, publishers and printers, this work being done during February to April, 1912; that all the cuts for such work were made from models set up by said F. A. Wagner from cuts of machinery found in catalogues of various manufacturers, from postcards, from government plans of bridges and from the Standard Dictionary; that the printed

matter for such work was originated and written out by said F. A. Wagner and revised, changed and arranged with the assistance of others, including the printer who set up the type; all of such work being independent, original and creative on the part of said F. A. Wagner.

(21) Further answering, defendant avers, on information and belief, that the said F. A. Wagner, when he produced defendant's 1913 manual, added over thirty illustrations not in the 1912 manual; that all of the illustrations in the 1913 manual were made, not by
43 photographs and half-tones as in the case of the 1912 manual, but by line drawings, from which zinc etchings were made; that many of said additional illustrations were made from sketches and photographs supplied by users who were contesting for prize awards to be made by the Dayton Y. M. C. A. to such boy and girl customers as sent in the best new models; that some of said illustrations were designed by said F. A. Wagner; that in all the work of producing this 1913 manual said F. A. Wagner was assisted by others, including clerks, draftsmen and printers; and that in none of said work did said F. A. Wagner make use of any copyrighted manual or book of complainant, or anyone else.

(22) Further answering, on information and belief, defendant avers that upon the building of the models in the manner aforesaid the descriptions thereof were then written out by the said F. A. Wagner, to accompany each model appearing in the manual or catalogue, that such descriptions were original productions; that the lists of the parts were made up after these models were thus built; and that the numbers of parts in these models are different from the numbers of parts in complainant's models made to represent, in some instances, similar structures.

(23) Wherefore, defendant, answering, denies any infringement, copying or piracy of the books of instructions or manuals of complainant; denies any copying or piracy of complainant's material; denies that said books are infringements or constitute piratical copies of complainant's books; denies that by any unfair acts or devices it
44 has sold the toy outfits, literature, etc., to those who would otherwise have bought outfits of complainant; and further, defendant admits selling outfits to those purchasers who, fully aware of the differences between the outfits it sold and those of complainant, chose the superior outfits sold by it.

(24) Further answering, defendant says he is not informed, save as alleged in paragraph VIII of the bill, when complainant introduced its outfits and alleged system into the United States and as to its alleged agents, The Embossing Co. and The Meccano Co., Inc., and, therefore, leaves complainant to prove the same.

(25) Further answering said paragraph VIII, defendant says that it is not informed as to the expenditure of large sums of money by complainant, at the times alleged, in placing said Meccano outfits on the market in the United States, in advertising the same and in educating the public, and, therefore, demands strict proof thereof, and of the allegation that, as a result of the foregoing, extensive sales have been made in the United States; of the allegation that the trade

and public generally throughout the United States have for some time past recognized and now recognize that complainant's outfits and alleged system are novel and original with complainant and its predecessors and are the peculiar product of complainant; of the allegation that a large, valuable and profitable business reputation and good will have been built up and maintained in the United States and elsewhere; of the allegation that a demand has been created by complainant for its said Meccano, which demand it has at all times been ready and willing to supply; and of the allegation that
45 your orator has been enjoying, and still enjoys, large financial returns from its United States business in said Meccano. Defendant is uninformed as to these allegations and, therefore, demands strict proof thereof.

(25) Defendant, further answering paragraph VIII, denies that it, and others acting in concert with it, have been guilty of any unlawful doings, as charged in said paragraph, and that by reason of any unlawful doings complainant has not enjoyed financial returns to as great extent as it would have; but avers the fact to be that all of its doings have been lawful, and that if complainant's returns have been reduced because of defendant's competition, they have been reduced solely by reason of lawful competition. Defendant denies the remaining allegations of said paragraph.

(27) Defendant denies, as alleged in paragraph IX of the bill, that on the 14th day of October, 1912, or at any other time, Frank Hornby was the inventor of improvements in flanged metallic plates for use in the construction of working models, toys or the like, and the combination of such plates with one or a plurality of other perforated mechanical elements, with means for securing said plates and elements together; and denies that he was entitled to a patent thereon under the Statutes; but defendant, further answering said paragraph, admits that an alleged patent No. 1,079,245 was issued to Frank Hornby on the 18th day of November, 1913, but whether the same
46 was procured as required by law and as averred, defendant is not advised and, therefore, denies the same and requires strict proof thereof.

(28) Defendant, further answering said paragraph IX, states that it is not advised, save by said bill, whether Frank Hornby, on the 3rd day of November, 1913, or at any other time, by an instrument in writing, duly assigned to Meccano Limited all the right, title and interest in and to said alleged patent 1,079,245 and the alleged invention attempted to be covered thereby, and as to whether complainant is now, and has been at all times since the date of said alleged assignment, the owner thereof, and, therefore, denies the same and calls for strict proof thereof.

(29) Defendant, further answering said paragraph IX, denies that the merit and popularity of complainant's outfits have been greatly enhanced by the development constituting complainant's said alleged invention, and, therefore, calls for strict proof thereof and of the remaining allegations of said paragraph.

(30) Defendant, further answering, denies, as averred in paragraph X of the bill, that it, confederating with others, has injured

complainant and deprived it of benefits and advantages from said alleged invention and its alleged system; denies that it has attempted to deceive the public and trade upon complainant's good will; denies that it has violated complainant's rights in the premises, has been guilty of unfair competition with it, and that it has infringed complainant's alleged copyrights and its said alleged patent, 47 within the Southern District of New York, or at any other place within the United States; denies that it has threatened or is threatening to infringe said alleged patent; and denies all other allegations in said paragraph; but, on information and belief, avers the fact to be that the outfits made and sold by defendant herein have been made and sold in accordance with the prior art, improved by the invention of Francis A. Wagner, of said The American Mechanical Toy Co., for which invention the United States Patent Office granted to him patent 1,164,686, December 21st, 1915.

(31) Defendant, further answering, on information and belief, says that said alleged patent sued on does not describe anything which, in view of the state of the art at or before the date of said alleged invention, constitutes patentable invention; wherefore it avers that said alleged patent is null and void.

(32) Defendant, further answering, on information and belief, says that said Frank Hornby obtained from others a knowledge of the change of form, location and substitution of well known equivalents to produce the device shown in the alleged patent sued on; and that said Frank Hornby abandoned to the public all or the essential features of the device embodied in the patent sued on, by a printed publication of the same circulated in the United States more than two years before the filing of the application for the patent sued on, such publication being entitled The Hornby System of Mechanical

Demonstration, Meccano Ltd., published and circulated by 48 complainant September 24th, 1910, and thereafter.

(33) Respondent, further answering, avers, on information and belief, that long prior to the alleged invention of Hornby, as attempted to be embodied in the alleged patent sued on, building outfits and analogous toys containing all the essential features of said alleged invention, as exhibited in said alleged patent, had been described and exhibited in the following patents, in view of which said alleged patent sued on is anticipated and void:

British Patents.

Jenss, 10,040, of 1895.

Von Leistner, 14,442, of 1985.

German Patents.

Walther, 153,854.

Lilienthal, 46,312.

United States Patents.

- Quackenbush, 195,689, Sept. 25, 1877.
 Burton, 604,708, May 24, 1898.
 Crandall, reissue 6409, May 4, 1875.
 Arold, 419,099, Jan. 7, 1890.
 Kilbourn, 731,309.
 Massey 423,066, Mar. 11, 1890.
 Wing, 916,243.
 Carpenter, 251,763, Jan. 3, 1882.
 Stratton 570,688, Nov. 3, 1896.
 De Souchet 597,519, Jan. 18, 1898.
 Clow, 207,346, Aug. 27, 1878.
 Von Leistner, 543,580, July 30, 1895.
 Von Leistner, 525,221, Aug. 28, 1894.
 Obendorf, 144,124, Oct. 28, 1873.
 49 Garben, 409,744, Aug. 27, 1889.
 Walters, 262,863, Aug. 15, 1882.
 Barnes, 249,448, Nov. 15, 1881.
 Fairbanks, 135,417, Feb. 4, 1873.
 Nentwig, 707,446, Aug. 19, 1902.
 Annin, 305,879, Sept. 30, 1884.
 Hornby, 810,148, Jan. 16, 1906.

(34) Defendant, further answering, on information and belief, says that toys containing said alleged improvements embraced in the patent sued on, or the substantial and material parts thereof, were known to and used by divers other persons within the United States before the date of said alleged invention, among such being the following, at the places named:

Francis A. Wagner and others, at Dayton, Ohio, in the years 1909 and thereafter.

The Harris Toy Co., of Toledo, Ohio, and to the officers thereof, and others, at said place, and elsewhere, in 1897 and thereafter.

Edward Von Leistner, formerly of Stapleton, New York, and New York City, and others, at said places and elsewhere, before, during and after 1893.

(35) Defendant, further answering, on information and belief, says that said Hornby unjustly obtained said patent 1,079,245, dated Nov. 18th, 1913, for that which was in fact the prior production and origination of said Francis A. Wagner.

(36) Defendant, further answering, on information and belief, says that the complainant has sought to confuse and mislead the public by a needless multiplication of nebulous claims in the
50 patent sued on.

(37) Defendant, further answering paragraph X of the bill, denies the remaining allegations of said paragraph.

(38) Defendant, answering paragraph XI of the bill, denies that its putting out, offering for sale and selling of American Model Builder outfits constitute unlawful acts and unfair competition with

complainant; denies that said American Model Builder outfits are substantially identical with complainant's outfits, in the numbers of the respective parts, the dimensions and appearance thereof; and denies that these outfits are interchangeable with complainant's outfits.

(39) Defendant, further answering paragraph XI, denies that its outfits are substantially identical with complainant's outfits in size, coloring, labeling and partitioning of the boxes containing the parts, and the grouping and arrangement of the parts in said boxes.

(40) Defendant, further answering said paragraph XI, denies that substantially all of the metal part- or units of its outfits are substantially identical with complainant's corresponding metallic parts or units, in appearance, shapes and dimensions, the numbers, size and relative locations of holes, and denies that said parts are interchangeable with complainant's parts.

(41) Defendant, further answering said paragraph XI, denies that its putting out, offering for sale and selling separate parts of the American Model Builder outfits constitute wrongful acts and unfair competition.

(42) Further answering said paragraph XI, defendant denies that it has committed wrongful acts and unfair competition by putting out with its American Model Builder outfits certain instruction books; denies that such books contain copies, counterfeits and simulations of models originated and created by complainant and its predecessors; denies that such books substantially copy, counterfeit and simulate complainant's manuals of instructions or any of them, in appearance, size, printing, plan, arrangement, ideas, illustrations, and descriptive and other language, and in respect to other details; and denies that it has committed unwrongful acts by offering for sale and selling, separately and as parts of American Model Builder outfits, flanged metallic plates and certain perforated mechanical elements to be combined with said plates, and denies that it has infringed the patent sued on and violated complainant's exclusive rights.

(43) Defendant, further answering said paragraph XI, denies that it has infringed copyrights Nos. 291,375 and 294,670; denies that its American Model Builder books and printed matter copied and counterfeited complainant's books and contain material and substantial parts thereof; denies that said American Model Builder books have been prepared from complainant's alleged copyrighted Mecanno Manual of Instructions for 1911 and complainant's alleged Mecanno Royal Book of Instructions; denies that its said manuals contain illustrations of various structures illustrated in complainant's manuals; denies that its manual contains substantially the same tabulated enumerations of the units or parts

52 required for each of said structures; denies that it contains substantially the same classified enumeration of the contents of defendant's various regular and accessory outfits, with the prices thereof; denies that the acts complained of are in substantial accordance and parallelism with, and in infringement of, complainant's alleged copyrighted manuals; denies that it has advertised and

offered American Model Builder outfits that were imitations and counterfeits, including the subject matter of the patent sued on, both by means of said manuals and otherwise, as interchangeable with complainant's outfits and units and as taking the place of the latter; denies that it has offered said accessory American Model Builder outfits as standardized with and supplemental to complainant's main outfits already in the hands of purchasers; and denies that it intended that its accessory outfits should take the place of complainant's accessory outfits.

(44) Defendant, further answering said paragraph XI, says that the fixing of the retail prices has been without reference to complainant's prices, but has been governed by the cost of the outfits, and that the retail prices of American Model Builder outfits have been substantially 35% lower than the retail prices of complainant's outfits, the difference in cost of these outfits being substantially 35%, due to the tariff imposed by the United States upon the importation of such toys as complainant's, both under the existing so called Underwood tariff and its predecessor; defendant, further answering, denies that, by reason of the appearance of defendant's and complainant's outfits, it has caused and is causing and tending to

53 cause confusion in the minds of the trade and purchasers as to the origin of the goods and the belief that the American Model Builder outfits are produced by complainant; and denies the remaining allegations of said paragraph XI.

(45) Defendant, answering paragraph XII, as to the allegation that it changed from one line of toys to another, states that whatever it did in this direction was entirely lawful and within the exercise of its business judgment, and leaves complainant to prove the same, and the same is true as to its displays; and defendant, further answering, denies that it has committed any unlawful acts to complainant's injury.

(46) Further answering said paragraph XII, defendant denies customers for and prospective purchasers of complainant's product have been induced by defendant to accept American Model Builder product for complainant's; denies that customers have purchased American Model Builder product in place of complainant's; and denies that some of said American Model Builder product has been billed by defendant as Meccano; and denies the remaining allegations of said paragraph.

(47) Defendant, answering paragraph XIII, denies that it has carried on to a large extent the wrongful acts complained of or any wrongful acts; denies that it is preparing and threatening to carry on unlawful acts to any extent in violation of complainant's exclusive rights, and to the deception and damage of the public; denies that it has realized and received large gains and profits by any wrongful acts; and denies that it has damaged complainant by any
54 wrongful and unlawful acts and that it will cause irreparable damage unless enjoined; and defendant requires strict proof of the remaining allegations of said paragraph.

(48) Further answering the bill, defendant denies that the idea of using standard sized parts to build up a variety of objects or toys

was original with complainant or its predecessors; denies that the idea of having supplemental sets to furnish a means of increasing the number of parts so that more elaborate toys could be produced was original with complainant or its predecessors; denies that the use of certain specified letters or numbers to designate particular sets is distinctive solely of complainant's sets; and denies that the use thereof has come to indicate the origin of the goods of complainant, and that the use of such designations was original with complainant, or its predecessors in any way whatsoever.

(49) Further answering, defendant avers that the ideas and practice of using standard sized parts to build up toys of various kinds and designs were old and public property before complainant engaged in the construction of its outfits, as in the case of the Anchor Block toys introduced upon the American market in 1887 and thereafter by F. Ad. Richter & Co., and as illustrated and described in the published and circulated catalogues of said toys in 1887 and thereafter; that the practice of furnishing supplemental sets of toys to increase the number of parts, and the size and variety of the models to be constructed from original sets, was old and public property prior
55 to the advent of complainant and its predecessors into this field, as also shown in the case of the Anchor Block toys of said F. Ad. Richter & Co., a description of which system was embodied in the 1887 catalogue of said Company circulated in trade in the United States; that the use of numerals and letters, as 1, 2, 3 and A, B, C, to designate different outfits of toys and other articles of manufacture, and the use of combinations of them, as 1A, 2A, 3A, to designate supplemental sets of toy outfits, as alleged in the bill, had long been publicly practiced prior to the time complainant used such designations, as again shown in the case of the Anchor Block toys and catalogues relating thereto of said F. Ad. Richter & Co., and as particularly mentioned in the 1887 catalogue of said Company circulated in the American trade at that time and thereafter; that the practice of putting a catalogue or manual illustrative and descriptive of larger sets of toys and supplemental sets in packages containing smaller sets of toys was well known and in public use in the United States prior to the advent of complainant in the toy business, as also instanced in the case of the practice of said Richter Co. in putting such catalogues with such smaller sets; and defendant further avers that the substantial and material portions of the foregoing averments apply equally to the toys and system and practices of The Harris Toy Co., of Toledo, Ohio, commencing in 1897; wherefore, defendant avers that the pretense of origination of these practices and indicia by complainant is a false pretense contradicted by matters within trade and public knowledge; and defendant, further
56 answering, avers that such practice and such indicia are not the subject of exclusive appropriation or ownership, but are matters to which all alike in trade have an equal common right to use.

(50) Further answering, defendant avers that his toy outfits complained of have always been sold under the trade name of American Model Builder, which it avers to be distinctly different from Meccano,

under which name complainant's goods are sold; that it has always sold these goods under a distinct trade-mark, created by the manufacturer, as it is informed, which mark is prominently printed upon the manuals and box labels, as are also the words American Model Builder; that as to the designation of defendant's sets complained of, it uses only numerals in whole numbers and halves, as 1, 2, 3 and $1\frac{1}{2}$, $2\frac{1}{2}$, $3\frac{1}{2}$, the whole numbers designating original sets and the combination of whole numbers and halves designating supplementary sets, and that these designations are used between defendant and its trade, not as designations of origin, but as descriptive of the different sets, so that any particular set can be designated by the descriptive manual, a system long in use in manufacturing and even in use in respect of toys, as in the case of F. Ad. Richter & Co. Anchor Block toys, which, since 1887, have been designated by numerals for original sets and numerals and letters, as 16A, to designate supplemental sets; that as to furnishing original and supplemental sets, defendant has done so, not in simulation of any system originated by complainant, but as the exercise of a natural right growing out of the long common use in the toy trade of supplying original sets of toy parts and supplemental sets of toy parts to extend

the original sets into larger outfits, which system was practiced in the United States by F. Ad. Richter & Co. and The Harris Toy Co. prior to the appearance of complainant's toys on the American market; that as to alleged simulation by defendant of complainant's various model constructions, defendant denies that he has made any such simulation, but avers, on information and belief, that the models illustrated and described have been set up by F. A. Wagner, of The American Mechanical Toy Co., assisted by employees, from machinery catalogues of manufacturers of well-known machinery; from postcards illustrating famous engineering structures; from plans issued by the United States Government; from the Standard Dictionary; from photographs, sketches and designs furnished by boy and girl users who have submitted hundreds of designs for special models under the stimulation of prize contests; that instead of the illustrations and designs of complainant being works of distinctive origination, they are but toy representations of well-known devices and machines imitated in miniature, a work done by children in the case of many of defendant's designs; that instead of defendant's perforated plates and perforated strips being simulations of parts of complainant's toys, they are structures derived from the prior art as exemplified in prior patents cited in another part of this answer and in one or more prior art toys, one of which was on sale in the United States in 1908 and prior thereto being composed of a plate of wood with numerous perforations and sockets, and of pins, wheels, etc., adapting it to be built up, but the exact trade name of which defendant is unable at this time to state, and, therefore prays leave to later amend this answer, and another of

58 which toys was sold in the United States in 1897 and thereafter by said The Harris Toy Co., such toy containing perforated strips, angle bars, etc.; and further, that while the perforated strips used by defendant are found in the prior patent art, and while

similar perforated plates are in said art, as cited in the patent branch of the answer, the particular perforated flanged plates of metal used by defendant originated with, was sketched, made and reduced to practice by said F. A. Wagner prior to, as defendant is informed, any date applicable to the appropriation of perforated plates by complainant; that defendant has never at any time traded upon the alleged good name and reputation of complainant, but, to the contrary, has traded solely upon its own reputation and its own name and the reputation of the toys manufactured by The American Mechanical Toy Co., and has always offered the toys to the trade as the American Model Builder; and that defendant has not palmed off or attempted to palm off its toys complained of for those of complainant.

(51) Further answering, defendant avers that, besides the toys manufactured by The American Mechanical Toy Co. which it sells and those of complainant, there have been, and are now, on the American market a number of other makes of toys involving perforated parts and pins, perforated strips, plates and fastening devices, by which different models of toys can be set up; that among them is the "Matador" toy, imported since early 1912, and possibly earlier, from Austria, and manufactured there by John Eorbul, in boxes containing which are circulars illustrating main and supplementary sets; that catalogues of these "Matador" toys were published to the trade in 1909 in Austria; also Walther's Building Construction Game, on the American market since 1911, and made up of perforated metal strips and perforated plates, with flanges, connected by pins, sets of which are accompanied by catalogues illustrating various objects to be made up from the parts; Metallo Trigon Toys, made in Germany and imported into the United States as early as, if not earlier than, the spring of 1913, which are made of strips of metal having perforations, with pins to join the strips together; Bing's Toys, imported from Bavaria, Germany, as early as, if not earlier than, the spring of 1913, and made up of plates having flanges with perforations in the body and flanges, and of rods and couplings which are accompanied by catalogues; Structo Toys, manufactured by the Thompson Mfg. Co., of Freeport, Illinois, since and before the fall of 1912, and consisting of perforated metal strips and perforated metal plates having flanges and fastening screws; and the von Leistner toys, put on the American market in main and supplementary sets, by The Harris Toy Co., of Toledo, Ohio, during 1897 and for some years thereafter, such toys being advertised in catalogues, and sold in boxes with illustrated instruction sheets; wherefore, defendant avers that the American market has been divided between these several toys and complainant and defendant, and that all of said toys just enumerated were on the American market before the date of complainant's patent sued on, and some of them before the date of the application for that patent.

60 (52) Further answering, defendant avers, on information and belief, that complainant is in this Court with unclean hands and has heretofore appropriated that which was first adopted and marketed by the manufacturer in connection with the toys

complainant of sold by defendant, for which reason complainant is not entitled to any equitable relief, if otherwise entitled thereto, which defendant denies, and that the things which were first used and marketed by such manufacturer, and which were thereafter appropriated by complainant, as defendant is informed, are the following:

(a) The peculiar collar or band, with a setscrew, to control the position of the wheels on the axles, a device invented by said F. A. Wagner, marketed by him in 1912 and appropriated by complainant in 1913, as defendant is informed. (Complainant had previously used a little metal clip shown in the Hornby patent 810,148, of 1906, which proved a failure because it would not hold the wheel in place on the axle.)

(b) Boxes with hinged lids or swinging covers, used by the manufacturer of American Model Builder in 1912 and adopted by complainant in 1913, having previously used a box with a sliding cover.

(c) Box wrappers of brown craft paper, which The American Mechanical Toy Co., as defendant is informed, used from the beginning and which complainant adopted in 1913 and put upon its boxes of exactly the same shade and kind of paper as previously used by The American Mechanical Toy Co., complainant having prior to 1913 used white paper for its box wrappers.

61 (53) Defendant denies that complainant is entitled to any relief whatsoever, or any part of the relief prayed for, and denies that defendant has been guilty of any unlawful acts or has violated any of complainant's rights, and alleges that complainant has no standing in a court of equity or in any other court.

(54) Further answering, defendant avers that long prior to the issuance of the patent sued on, November 18th, 1913, its American Model Builder toys were being sold, to wit, from 1912, wherefore it shows that it entered upon said business without any knowledge of said alleged patent.

(55) Further answering, defendant alleges that the bill of complaint is multifarious in that it attempts to join in one action causes of alleged patent infringement, of alleged unfair competition and alleged copyright infringement, and as to this it craves the same benefit and advantage as if the same had been made the subject of a motion (formerly a demurrer).

(56) And defendant, answering as to paragraph XIV of the bill, admits that complainant brought suit against the manufacturer of the American Model Builder (the toy complained of herein), in the Southern District of Ohio, Western Division, upon the same issues as involved herein; admits that a decree was entered as alleged, but denies that said decree is now in full force and effect, because the same has been suspended by the giving of the \$50,000 bond referred to in said paragraph and the taking of an appeal to the U. S.

62 Circuit Court of Appeals for the Sixth Circuit; wherefore defendant avers that its sales of American Model Builders are covered by said bond and authorized by the suspension of the decree referred to; and defendant admits that the manufacturer in the Ohio suit applied to the District Court to reopen because of newly

discovered evidence and that such application was denied, but avers that an appeal has been taken to said Court of Appeals, in accordance with the opinion of said Court of Appeals in connection with the attempt to have the case reopened.

All of which matters and things this defendant is willing to aver, maintain and prove as this Honorable Court shall direct, and prays to be hence dismissed with its reasonable costs in this behalf most wrongfully sustained.

Dayton, Ohio, Jan. 3, 1917.

J. CHESTER JOHNSON,

H. A. TOULMIN,

H. A. TOULMIN, JR.,

Counsel for Defendant.

63 At a Stated Term of the District Court of the United States for the Southern District of New York, Held in the Court Rooms Thereof, in the Woolworth Building, Borough of Manhattan, City of New York, This 14th Day of December, 1916.

Present: Honorable Julius M. Mayer, United States Judge.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

VS.

JOHN WANAMAKER, NEW YORK, Defendant.

Order to Show Cause.

On reading the Bill of Complaint, filed herein on December 9, 1916, and the attached affidavits of Guy D. Hills (verified herein November 25, 1916), A. W. Koenig (verified herein November 27, 1916), Ralph L. Scott (verified herein December 2, 1916), Malcolm McAvoy (verified herein December 8, 1916), and William J. Schmitt (verified herein November 23, 1916), and the various exhibits therein referred to; now, on motion of Ralph L. Scott, Esq., solicitor for plaintiff, it is this day

Ordered that, at the opening of this Court at 10 A. M. o'clock on December 22nd, 1916, or so soon thereafter as counsel can be
64 heard, in the Court Rooms in the Post Office Building, in the Borough of Manhattan and City of New York, defendant show cause, if any there be, why the prayer of the Bill of Complaint for an injunction pendente lite should not be granted and said injunction issued forthwith; it is

Further ordered that service, within two days from the date hereof, of a copy of this Order together with copies of the above-named affidavits, on J. Chester Johnson, Esq., attorney for John Wanamaker, New York, shall be good and sufficient service; and it is further

Ordered that defendant's affidavits in reply, if any, shall be served on Ralph L. Scott, Esq., solicitor for plaintiff, at least two full days before the return date of this Order.

(Signed)

JULIUS M. MAYER,
United States Judge.

Notice to Attorney for Defendant.

The original outfits and manuals referred to in the above-mentioned McAvoy affidavit, and the original outfit manual, plates, etc., referred to in the above-mentioned Scott affidavit, also a certified copy of the Hornby patent in suit and a certified copy of the assignment thereof to the plaintiff herein, may be examined by you at any time during office hours, and prior to the return of the above Order to Show Cause at the offices of Messrs. Mauro, Cameron, Lewis & Massie, Woolworth Building, New York City. A true copy of the Opinion and

Decree in the herein referred to "Ohio suit" was sent directly to defendant with the notice of infringement set forth in the Scott affidavit.

(Signed)

RALPH L. SCOTT,
Solicitor for Plaintiff.

Service of a copy of the foregoing Order and attached affidavits is hereby admitted this 14th day of December, 1916.

(Signed)

J. CHESTER JOHNSON,
Attorney for John Wanamaker, New York.

Affidavit of Guy D. Hills for Use in a Suit About to be Brought in the District Court of the United States for the Southern District of New York by Meccano, Limited, v. John Wanamaker, New York.

In Equity. No. —.

MECCANO, LIMITED,

v.

JOHN WANAMAKER, NEW YORK.

Affidavit of Guy D. Hills.

STATE OF NEW YORK,

County of Albany, ss:

Guy D. Hills, being duly sworn, deposes and says:

I am of lawful age, a resident of Albany, New York, and for more than six years, until December 31, 1915, I was Secretary of The Embossing Company, of Albany, New York; for some years sales agent in the United States for Mecanno, Limited, the complainant herein.

The Embossing Company is a manufacturer and wholesale distributor of games, toys, and like devices, has a branch selling head-

quarters and a corps of traveling salesmen, with the result that said Company is (and whilst associated with said Company was) kept in complete and immediate knowledge of the needs of the trade, the appearance on the market of new devices of the sort indicated and the manner in which they are taking with the public; said The Embossing Company, has, therefore, through its customers and salesmen unusual facilities for presenting meritorious devices to dealers and the public and of assuring therefor favorable consideration.

I have been intimately acquainted with the history of "Meccano" in the United States since the date of its first introduction in 1909. From August 6th, 1909, until about September 5th, 1913, the aforesaid, The Embossing Company, was the exclusive sales agent in the United States for Meccano Limited, and during that period the commercial exploitation of "Meccano" in the United States was under my direct supervision and guidance. At the time the Meccano system was introduced in the United States, there were to my knowledge no constructive toys composed of metal parts on the market in this country by means of which different engineering models could be built up from component parts; "Meccano" was the first device of this principle consisting of metal parts exploited in the United States and was an absolutely pioneer line of this character which combined practical instruction or education with entertainment.

"Meccano" being the first toy of its kind sought to be introduced upon the market in the United States, dealers were hesitant and slow to add it to their stock and backward in appreciating its great merit, entertaining and educational qualities and salability. As shown by the sales figures about to be given, the sales for the early years were relatively small, and it was not until much effort and money had been expended in educating the public and dealers that the dealers manifested an appreciation of the merits of the toy and purchased the same in considerable quantity.

The sales in the United States of "Meccano" for the year 1909, aggregated \$6,886.00; for 1910, \$23,743.00; for 1911, \$49,422.00 and for 1912, \$114,192.00. As here indicated, the sales, relatively small at the beginning, have increased many fold in succeeding years. Such progress was due to the great merit of the toy and to the unremitting effort and industry on the part of The Embossing Company and its officials and employees and to skillful and expensive advertising and personal solicitations and demonstrations to the retail dealers and public. While The Embossing Company was the exclusive sales agent of Meccano Limited, ten per cent of its gross sales of "Meccano" in the United States was utilized for advertising purposes in this country, and, as the result of this industry, effort, trouble and expense, the public has been educated to the many advantages of "Meccano" as a device or toy possessing great educational and entertaining possibilities, and a large, valuable and profitable business with a steadily increasing demand for "Meccano" was created.

At and prior to the time the model builder of The American Mechanical Toy Company appeared on the market, "Meccano" was the

only device or toy of this principle composed of metal parts before the public in the United States. For purposes of comparison, I some time ago took from The Embossing Company's stock of "Meccano" four sets or outfits, two being No. 1 outfits and the other two No. 4 outfits. These were offered as exhibits in the Ohio suit against Francis A. Wagner (trading as The American Mechanical Toy Company) and the Strobel & Wilken Company, and marked Plaintiff's Exhibits 24 to 27 inclusive. Exhibit 24 is a No. 1 outfit, in a form in which such outfits were first imported into the United States. Exhibit 25 is a No. 1 outfit of a form subsequently imported into the United States. Exhibit 26 is a No. 4 outfit in a form in which such outfits were first imported into the United States, and Exhibit 27 is a No. 4 outfit of a form subsequently imported into the United States.

Exhibits 24 and 25, both being "Meccano" No. 1 outfits, correspond to Exhibit 15 in said Ohio suit, which is an "American Model Builder" outfit No. 2. Exhibits 26 and 27, both being "Meccano" outfits No. 4, correspond to Exhibit 17 in said Ohio suit, which is an "American Model Builder" outfit No. 5.

As will appear from a comparison of the "Meccano" outfits, Exhibits 24 to 27 inclusive, with the "American Model Builder" outfits, Exhibits 15 and 17, the device or toy ("American Model Builder") of the American Mechanical Toy Company, is substantially identical in every respect with the device or toy ("Meccano") of Meccano Limited. As shown by this and other similar comparisons, the series of outfits of Meccano Limited, and the individual or component parts in each outfit, have been substantially copied—including duplication of the metal parts in the numbers of such parts provided, their dimensions, shapes, numbers and spacing of holes, appearance, etc.—in corresponding outfits and metals parts of the devices or toy ("American Model Builder") of the American Mechanical Toy Company. The obvious and practical result of such duplication of metal parts is that such parts of "The American Model Builder" are interchangeable with the metal parts of "Meccano." This duplication and interchangeability of the individual metal parts is made use of by The American Mechanical Toy Company to put together a series of sets of outfits which substantially correspond to and are interchangeable with the series of sets of outfits put together and placed upon the market by Meccano Limited, whereby it becomes possible for a person who has purchased a set of "Meccano" to add to that set by purchasing the next higher corresponding set of "American Model Builder."

For example, there were, and I am informed still are, on the market seven main outfits and six accessory outfits of both "Meccano" and "American Model Builder." The main outfits of "Meccano" were numbered "0" to "6" inclusive, and the accessory outfits "0A" to "5A" inclusive. The main outfits of "American Model Builder" were numbered "1" to "7" inclusive, and the accessory outfits "1½" to "6½" inclusive. These sets corresponded at one time as follows, market prices of "Meccano" and recent market prices (which may have been changed since) of the "American Model Builder" being here also indicated, to wit:

<i>"Meccano."</i>			<i>"American Model Builder."</i>		
No.		Together forming outfit—	No.		Together forming outfit—
0	—price.....	\$1.00	1	—price.....	\$1.00
		No. 1.			No. 2.
0A	—price.....	\$1.00	1½	—price.....	\$1.00
		\$2.00			\$2.00
1	—price.....	\$2.00	2	—price.....	\$2.00
		No. 2.			No. 3.
1A	—price.....	\$2.00	2½	—price.....	\$2.00
		\$4.00			\$4.00
2	—price.....	\$4.00	3	—price.....	\$4.00
		No. 3.			No. 4.
2A	—price.....	\$2.00	3½	—price.....	\$2.00
		\$6.00			\$6.00
3	—price.....	\$6.00	4	—price.....	\$6.00
		No. 4.			No. 5.
3A	—price.....	\$4.00	4½	—price.....	\$3.00
		\$10.00			\$9.00
4	—price.....	\$10.00	5	—price.....	\$9.00
		No. 5.			No. 6.
4A	—price.....	\$ 8.00	5½	—price.....	\$6.50
		\$18.00			\$15.50
5	—price.....	\$18.00	6	—price.....	\$15.00
		No. 6.			No. 7.
5A	—price.....	\$18.00	6½	—price.....	\$15.00
		\$36.00			\$30.00
6	—price.....	\$36.00	7	—price.....	\$30.00

71 As indicated by this table, No. 1 "American Model Builder" is made to correspond to "Meccano" No. 0; No. 1½ "American Model Builder" is made to correspond to "Meccano" No. 0A; No. 2 "American Model Builder" is made to correspond to No. 1 "Meccano"; No. 2½ "American Model Builder" is made to correspond to No. 1A "Meccano"; and so on throughout the entire series of thirteen outfits of each.

As further indicated by the above table, the addition of a "Meccano" accessory outfit No. 0A to a main outfit No. 0, forms a main outfit No. 1; and so on throughout the other main and accessory "Meccano" outfits. In similar manner adding No. 1½ to a main outfit No. 1 forms an "American Model Builder" outfit No. 2; and so on throughout the other main and accessory "American Model Builder" outfits.

As before stated, not only are the individual metal parts of "Meccano" duplicated in "American Model Builder," but the main and accessory outfits of "Meccano," made up of such metal parts, are substantially duplicated in the "American Model Builder," with the result that such outfits of the "American Model Builder" are interchangeable (as outfits) with and may be substituted for corresponding outfits of "Meccano." For example, the addition of an "American Model Builder" outfit No. 1½ to a Meccano outfit No. 0 results in the equivalent of a "Meccano" outfit No. 1. Likewise, to convert a No. 4 "Meccano" outfit into a next larger outfit, a No. 5½ "American Model Builder" may be added; and so on throughout the series.

72 The American Mechanical Toy Company has taken advantage of the aforesaid interchangeability and capability of substitution of its outfits for those of Meccano Limited, to make sales of the "American Model Builder" to owners of "Meccano" outfits who desired to increase the scope of their outfits, as shown for example by letters from The American Mechanical Toy Company to H. H. Cook, Chicago, Illinois, dated October 15th, 1912, and to Frank Burton, Bridgeport, Connecticut, dated October 12, 1912, copies of said letters being attached hereto as a part hereof, and marked Exhibits 28 and 29 respectively.

The practical identity existing between "Meccano" and the "American Model Builder" not only tends to confusion, but has actually resulted in confusion in the minds of dealers and the purchasing public as to the origin of the "American Model Builder" and the belief that the "American Model Builder" is the original and genuine "Meccano," is shown by occurrences such as represented in two letters to The Embossing Company from J. C. Brennan, of Marietta, Ohio, Attorney at Law dated December 14th, 1912, and December 19, 1912, and copy of a letter to said Brennan by said The Embossing Company, dated December 17, 1912, copies of said letters being attached hereto and marked Exhibits 30, 31 and 32 respectively. As appears from said Brennan letters, he purchased an "American Model Builder" outfit believing

"at the time it was the same thing as 'Meccano.'"

Another case of confusion between the devices or toys resulted in a loss to Meccano Limited is represented in letters to said The
73 Embossing Company from J. Spitz & Son, of Paterson, New Jersey, dated November 1, 1912, November 6th, 1912, and December 3rd, 1912, and a letter dated November 21, 1912, from said The Embossing Co. to J. Spitz & Son. Copies of said letters are attached hereto as part hereof and marked Exhibits Nos. 33, 34, 35 and 36 respectively. From said correspondence it appears that J. Spitz & Son

"have purchased 'Meccano' from jobbers Strobel & Wilken."

To affiant's knowledge, at the time of said correspondence and purchase, The Strobel & Wilken Company of New York and Chicago were not in a position to sell 'Meccano' to J. Spitz & Son, but were the selling agents for The American Mechanical Toy Co.

As further showing the confusion of the two devices or toys by said J. Spitz & Son, of Paterson, New Jersey, I refer to one of their advertisements appearing in the attached copy (marked Exhibit 37) of "The Paterson Guardian," of December 18, 1912, a daily newspaper of Paterson, New Jersey.

I also have a direct acknowledgment of said J. Spitz & Son of their aforesaid confusion, such acknowledgment being expressed in their letter of November 11th, 1913, to The Embossing Company, copy of which letter is attached hereto as part hereof and marked Exhibit 57. Said letter concludes:

"Last season we unconsciously advertised your name in connection with another make. This was done through a misunderstanding as we were under the impression that it was the same thing.

Send at once.

Respy. yrs.,

J. SPITZ & SON."

Exhibits 9, 10, 16 and 18, introduced in said Ohio suit, are duplicates of the "American Model Builder Complete Manual of Instructions," and hence reference will be made only to Exhibit 9.

The "Meccano Manual of Instructions," constituting a part of the Meccano Outfit, Exhibit 24 in the Ohio suit, is marked Exhibit 38 in said suit and bears the inscription

"Copyright 1911, by Meccano Ltd."

I also produced in said Ohio suit a "Meccano Manual of Instructions" (such as preceded the Manual of Instructions, Exhibit No. 38), the same being marked Exhibit 40 in said suit.

I also produced in said Ohio suit a copy of the "Meccano Royal" book of instructions, the same being marked Exhibit 42 in said suit and bearing the inscription

"Copyright 1911, by Meccano Ltd."

I also produced in said Ohio suit a copy of "Meccano No. O Outfit" Book of Instructions, the same being marked Exhibit 43, and bearing the inscription

"Copyright 1912, by Meccano Ltd., Liverpool, Eng."

Every main "Meccano" outfit, small and large, included (and I am informed still includes) a "Meccano Manual of Instructions," and such Manual (the same for every set except Set O which contains an abridged copy of the regular Meccano Manual) contains a series of photographic cuts of different forms of mechanical and other appliances that can be made up from the individual metal parts of the outfits. Thus for example, a No. 1 "Meccano" outfit contains a Manual showing photographic cuts of appliances that can be made up from the individual metal parts embraced by such No. 1 outfit, as well as cuts of other and in most instances more intricate appliances requiring larger, more complete and expensive outfits. In this way every smaller set of "Meccano" sold, with its accompanying Manual of Instructions, fosters, inspires, encourages and advertises the sale of other succeeding outfits. The original creation and building up, by the experts of Meccano Limited,

of the model appliances from which the photographs are made to supply the photographic cuts in the Manuals of Instructions and other "Meccano" publications, required and involved much thought, creative ingenuity and skill, time and considerable expense to Meccano Limited. And without such photographic cuts (accompanied by a specification in detail of the parts and procedure used in making them) the commercial salability of and demand for outfits such as "Meccano" would be seriously diminished.

A comparison of the publications of The American Mechanical Toy Company with those of Meccano Limited shows that the former have in large part copied or simulated in their publications the appearance, size, printing, ideas, descriptive and other language, models to be photographed, and photographic cuts of such models, appearing in the publications of Meccano Limited. And in so doing The American Mechanical Toy Company has appropriated to its own use and profit, and without corresponding expense to itself, the originality, creative ingenuity and skill which have been matters of much effort, care and expense to Meccano Limited. I will not undertake to go into details in making such comparison, but would note in particular that, with a few exceptions, every model depicted in the "American Model Builder Complete Manual of Instructions," Exhibit 9, as well as the photographic cuts depicting such models, are simulations of models originally created by Meccano Limited, and simulations of photographic cuts of said Meccano models appearing in Meccano Manuals of Instructions and publications. The majority of the photographic cuts appearing in "American Model Builder Complete Manual of Instructions" Exhibit No. 9, simulate photographic cuts appearing in "Meccano Manual of Instructions" Exhibit No. 38; others simulate photographic cuts appearing in Meccano Manuals of Instructions, Exhibits 39 and 40 in the Ohio suit; while still others simulate photographic cuts appearing in Meccano publications Exhibits 41, 42 and 43 in said Ohio suit. In similar manner, the majority of cuts appearing in The American Mechanical Toy Company Booklet, Exhibit 1 in the Ohio suit, simulate cuts appearing in the Meccano publications referred to.

I also note the simulation by The American Mechanical Toy Company of the boxes or containers used by Meccano Limited, particularly as to their size, shape, color, labels and pictures thereon, words and disposition of printing, inside partitioning of box and disposition of metallic parts therein, wrappings on metal strips, etc.,

I further note, with reference to Exhibits 5 and 43, the simulation of the picture appearing on the outside of the latter.

I produce and attach as a part hereof, the same being marked Exhibit 45, a clipping of an advertisement by The American Mechanical Toy Company, which appeared in the publication "Toys and Novelties" for the month of October, 1912, and note particularly the statement therein that

"This article is fully covered by Patents, and we will positively guarantee that it does not infringe any other claims."

I have been informed and believe, and therefore aver, that no

such patent or patents are owned or possessed by The American Mechanical Toy Company.

The manufacturers of and dealers in The American Model Builder manifested from the outset a determined effort to cut prices and undersell Meccano. Suggestions and complaints were at one time received from dealers to the effect that the prices on some of the larger sets of Meccano appeared out of proportion to the prices on smaller sets. I took this matter up with Meccano Limited and it was decided to reduce the prices on these larger sets. Following such reduction on Meccano sets, the manufacturers of and dealers in American Model Builder cut their prices on certain corresponding American Model Builder sets, taking their prices below the reduced Meccano prices. Some of the variations and reductions in prices in the years 1911, 1912 and 1913 are illustrated by the following table, the prices given being taken from certain exhibit publications used in the Ohio suit, to wit:

78	Meccano.	American Model Builder.				
	Ex. 38.	Ex. 39.	Ex. 1 & 10.	Ex. 4 & 16.	Ex. A & G3.	
No.	1911.	1912.	1912.	1912.	1913.	No.
0		\$1.00	\$1.00	\$1.00	\$1.00	1
1	\$2.00	2.00	2.00	2.00	2.00	2
2	4.00	4.00	4.00	4.00	3.00	3
3	6.00	6.00	6.00	6.00	5.00	4
4	10.00	10.00	9.00	9.00	7.50	5
5	22.50	18.00	20.00	15.00	15.00	6
6	45.00	36.00	40.00	30.00	25.00	7
0A.....		1.00	1.00	1.00	1.00	1½
1A.....	2.00	2.00	2.00	2.00	1.00	2½
2A.....	2.00	2.00	2.00	2.00	2.00	3½
3A.....	4.00	4.00	3.00	3.00	2.50	4½
4A.....	12.50	8.00	11.00	6.50	5.00	5½
5A.....	22.50	18.00	20.00	15.00	10.00	6½

But for the substantial identity which the "American Model Builder" has been made to present in comparison with "Meccano," price cutting by defendants, such as I have before referred to, would have, in my judgment, been practically ineffective in the building up of their business. But the identity which their product has been made to present as compared with "Meccano" has encouraged dealers, and others using such toys in large quantities, to substitute the American Model Builder for "Meccano," thus rendering possible a deflection and appropriation of business, with consequent injury and damage to complainant, all of which would not have been, and would not now be, possible but for the aforesaid identical simulation of the product of Meccano Limited. Thus

the acts of the producer of American Model Builder and of defendant encourage others to commit similar acts and provide them with the means for so doing. By way of example, I direct attention to the pertinent case of The Curtis Publishing Company, the well-known publishers of the Ladies Home Journal, the Saturday Evening Post, and the Country Gentleman. About five years ago that Company inaugurated an elaborate scheme of

premiums for their boy agents who sell the aforesaid publications. I am informed that they had approximately forty thousand of such agents, to whom they issued a very large number of their "Book of Rebates," wherein there is listed, illustrated and described the various prizes, graded as to valuation, and available to their boy agents in exchange for different numbers of vouchers, each voucher thus representing a certain valuation of exchange. As soon as The Embossing Company heard of this scheme, that Company induced The Curtis Publishing Company to use "Meccano" outfits as one of their premiums, and we furnished that Company, for their announcement, an electro-print of the illustration of a boy at work upon a model, such as that appearing in the middle at the bottom of the inside of a Meccano advertising folder constituting Exhibit 44 in the Ohio suit. The Curtis Publishing Company thereupon included in its "Book of Rebates" a reproduction of the electro-print supplied them, accompanied by appropriate descriptive matter, as shown on page 29 of one of such books which I produce and attach hereto as a part of this affidavit, the same being marked "Complainant's Exhibit 67." In a more recent corresponding

80 "Book of Rebates"—(see copy attached hereto and marked "Complainant's Exhibit 68")—there appears on page 53 an offer of the "American Model Builder" as an available prize, such offer having been substituted for the previous offer of "Meccano." Upon learning of such substitutions, we took steps to ascertain the reason therefor, the same being given in a letter of October 30, 1913, from The Curtis Publishing Company to Mr. F. H. Little, copy of which letter I attach as part of this affidavit (Complainant's Ex. 66). Recurring to the illustrations on page 29 of Exhibit 67 and page 53 of Exhibit 68, it will be seen that The Curtis Publishing Company has used the same electro-print to illustrate the "American Model Builder" that we supplied them for illustration of "Meccano", as stated in the letter from The Curtis Publishing Company.

"The same cut was used but was thoroughly retouched by the engravers beforehand."

Such retouching has not, however, obviously destroyed the identity of the cut.

As a further example, I call attention to an advertisement that appeared in "The Pantagraph," a daily paper of Bloomington, Illinois, in the issues of November 17th, 20th, 25th, and 29th, wherein a two column wide advertisement of the "American Model Builder" was headed:

"The American Model Builder (By Some Called Meccano)."

The identity between "Meccano" and the "American Model Builder" breeds confusion in the trade and puts a dangerous means of
81 deception in the hands of unscrupulous dealers. A copy of one of said issues of "The Pantagraph" is attached hereto and made a part hereof and marked Exhibit 58.

I am informed and believe, and therefore aver, that the dealers

who purchased the "American Model Builder" were and are given such discount that the profits to them are more favorable than would be derived from the sale of "Meccano," with the advantage of selling the toy to the public at a price cheaper than that on "Meccano."

Exhibit 38 in the Ohio suit, "Meccano Manual of Instructions," was copyrighted in the United States on August 14, 1911, No. 294,670; Exhibit 42 in the Ohio case, "Meccano Royal" was copyrighted in the United States June 22, 1911, No. 291,375. The Embossing Company, of Albany, New York, of which I was Secretary, made the applications for copyright registrations on behalf of Meccano Limited, and as part of each application I made an affidavit, on one of the usual official forms, giving the dates on which the books were published, and stating the fact that the printing thereof in the United States had been done by the Brandow Printing Company of Albany, New York, from type set up in the United States by said printing company. I received from Meccano Limited the copy or manuscript for each book and facsimiles of all illustrations, and promptly put such copy and illustrations, in the hands of said Brandow Company for preparation of said U. S. books.

I attach hereto as part of this affidavit a "Certificate of Copyright Registration" (Exhibit 56) with reference to each of said registered copyrights. The Register of Copyrights has certified one of the two books originally filed in each of said copyright applications, and the same constitute Plaintiff's Exhibits 38A and 42A in said Ohio suit.

My attention has been directed to United States patent No. 1,079,245, granted November 18th, 1913, to Frank Hornby. I am informed that, since the issuance of said patent, the entire right, title and interest therein have been transferred to the aforesaid Meccano Limited by an assignment now on record in the United States Patent Office. As is apparent from the drawings and specification of said patent, it concerns principally the flanged perforated sector plates (Figs. 1, 2, and 3) and the flanged perforated rectangular plates (Fig. 4), and the combination of such plates with other parts in the construction of working models, toys or the like, specimens of such models being illustrated in Figs. 9, 10, 11, 12, 13, 14, and 15 of said patent. The Meccano outfits originally exploited by The Embossing Company in the United States did not contain rectangular and sector-shaped plates such as those above mentioned, such plates not making their appearance in outfits sent us for exploitation in the United States until about the middle of the year 1911. It is my opinion, based upon my long personal experience with the Meccano product, that the addition of such rectangular and sector-shaped plates in the Meccano outfits contributed characteristics—such as simplification of many of the models, increased strength and rigidity, and a considerable decrease in the number of smaller parts required—which in material measure enhanced the popularity, commercial development, and salability of the product.

We regarded the introduction of these new parts most favorably. These plates facilitated the construction of the models, particularly the simpler models, very materially. The very notice-

able result of the introduction of the perforated plates was that the smaller children, especially, were encouraged to build the models with Meccano, because they were enabled by using the plates, to make a complete model much more quickly than before these plates were introduced.

One of the criticisms on the part of the parents, of the Meccano outfits before perforated plates were introduced, was that the work of constructing the simpler models provided for young beginners was found to be tedious and rather trying. For example, to construct a simple model like a small truck or wheelbarrow, it had been necessary to fasten a number of small strips together to form the main part, whereas the introduction of the plates enabled the children to form the main part of these and other similar models very much more quickly, as all that it was necessary to do was to slip the axle rods through the perforations in the plates, and attach the wheels.

John Wanamaker, New York, and John Wanamaker, Philadelphia. These stores were amongst the first customers in Meccano, and before the advent of The American Model Builder The Embossing Company was doing with said stores a big and constantly increasing business in Meccano. Prior to the appearance of said American Model Builder, said Wanamaker stores were the most important customers of The Embossing Company in Meccano. But we were told very frankly by said stores that American Model Builder Outfits apparently were the same as Meccano, and that inasmuch as they had been quoted better terms on the Model Builder Outfits they could not continue to give us their business unless we were able to meet the competition. These stores continued to purchase Meccano of us in comparatively small quantities, and placed their principal orders with the American Mechanical Toy Company, and also arranged to demonstrate the American Model Builder Outfits in their stores at the holiday season in place of Meccano which they previously had so demonstrated.

The Philadelphia store made net purchases of Meccano, beginning the year when The Embossing Co. acquired the U. S. agency and up to the appearance of American Model Builder, as follows: 1909, \$613.79; 1910, \$1,411.00; 1911, \$2,328.74. In 1912, after the store began its purchase of American Model Builder, the purchase of Meccano amounted to only \$912.61.

The New York store made net purchases of Meccano for the same period, as follows: 1909, \$752.47; 1910, \$1,319.38; 1911, \$1,879.91. In 1912, When American Model Builder was also stocked, the purchases of Meccano amounted to \$1,425.58. Original Wanamaker orders—see copies attached as part hereof (P.'s Ex. 99)—show that practically one-third of the New York store's orders in 1912 were placed on December 20th and 21st. Had these orders not been given, the Meccano sales would have been approximately \$900.00 for 1912—that is, about the same as those of the Philadelphia store. The Embossing Co. learned that these orders were given because the store was out of American Model Builders and used Meccano to fill the gap for the remaining days before Christmas.

85 In the years 1913 and 1914 both the Wanamaker stores continued to buy Meccano in small quantities from month to month, but there were no longer the large stock orders as in 1909, 1910, and 1911.

The Wanamaker orders show a discount of 33 1/3 per cent and 2 per cent for cash, and these were the terms on which The Embossing Co. did business with the Wanamaker stores at all times prior to the date of the orders. I have every reason to believe that considerably larger discounts were obtained on American Model Builder.

Meccano was demonstrated at both the New York and Philadelphia stores in 1910 and 1911, and as I recollect in 1909 also. In 1912, the stores would not permit Meccano to be demonstrated for the reason that they preferred to demonstrate and push the sale of Model Builder in that year. Had we been permitted to continue the demonstrations at Wanamaker's, the sales of Meccano would have been very greatly increased from year to year subsequent to 1911.

Another instance of confusion of American Model Builder with Meccano which came under my personal observation was the exhibit of the American Mechanical Toy Co. at the Wanamaker store in New York, December, 1913. One of the principal features of this exhibit was a model of the Big Wheel or Ferris Wheel. I took one of the men from our factory to this store on or about Dec. 23rd of that year to show him the different toy lines which were being sold, and in going down one of the aisles of the Toy Department, he noticed the model of the Big Wheel, and mentioned to me
86 that that was the location of our Meccano exhibit. It was, however, the exhibit of the American Model Builder, and although the man who was with me was familiar with Meccano, he was misled as mentioned.

I have heard the American Model Builder Outfits offered for sale to supplement Meccano Outfits. As a specific instance of the latter statement, I mention a case which occurred at the John Wanamaker Store, New York City, on or about Dec. 23, 1913, when upon approaching the American Model Builder Exhibit, I heard the name of The Embossing Co. mentioned, and while standing at the counter heard the salesman specifically recommend to a customer the purchase of an American Model Builder Outfit to supplement a Meccano Outfit No. 3. To make certain that I heard correctly, I told the salesman that I would like to purchase an outfit to supplement a Meccano Outfit No. 3, and asked him if the American Model Builder Outfit would answer the purpose. He said it would, and explained that they would be glad to take my order, which would be filled about the middle of the following month, as all the stock of this particular size had been sold at that time.

(Sgd.)

GUY D. HILLS.

Subscribed and sworn to before me this 25th day of November, 1916.

(Sgd.)
[SEAL]

RAYMOND A. KELTON,
Notary Public, Albany Co., New York.

87

EXHIBIT No. 28.

F. A. Wagner, Gen. Mgr.

The American Mechanical Toy Company,

Manufacturers of

The American Model Builder

and

The Inventors' Model Outfit,

Dayton, Ohio.

Oct. 15/12.

Mr. H. H. Cooke, Chicago, Ill.

DEAR SIR: We are in receipt of your letter of Oct. 12, and note what you say regarding the \$10 Meccano outfit which you wish to enlarge. This is their #4 outfit which corresponds with our #5, which we retail at \$9, and in order to convert this set into the next larger outfit, it will be necessary to purchase a #5½ American Model Builder outfit which will cost you \$6.50. This set will be packed in a pasteboard box but if you desire the larger outfit in the polished Oak Cabinet, you can purchase the #6 outfit outright, which will cost you \$15.

Our article is handled by the Fair, Chicago, and they will be able to give you full information in regard to these sets.

From a mechanical standpoint we believe our outfits are far superior to the Meccano sets, in as much as all of our fastenings are made by means of case hardened Collars & Set screws affording a positive fastening in all working Models, and eliminating the danger of cutting the boy's hand with the small keys. The Gears
88 are accurately on a gear cutter, so as to make them work absolutely true on all the working models.

We are sending you under separate cover our trade catalog which you might look over, and which gives a detailed description of our #6 outfit.

Yours very truly,

(Sgd.) THE AMERICAN MECHANICAL TOY CO.
F. A. WAGNER, Gen. Mgr.

F. A. W. x Fd.

EXHIBIT No. 29.

F. A. Wagner, Gen. Mgr.

The American Mechanical Toy Company,

Manufacturers of

The American Model Builder

and

The Inventors' Model Outfit.

Dayton, Ohio,

Oct. 12/12.

Mr. Frank V. Burton, Bridgeport, Conn.

DEAR SIR: We are in receipt of your letter of Oct. 10, and in reply wish to say that if you have a #4 outfit, it will be necessary for you to purchase a #3½ American Model Builder outfit, which will cost \$2, in order to convert the set which you have into one of the next larger size. If the outfit which you have is a Meccano, this set will fit in with that exactly and will give you more parts than you 89 would have obtained with the old set.

We are sending you under separate cover one of our trade catalogs as well as our complete price-list, and shall be glad to furnish any of these outfits direct at the prices quoted. These can be purchased in New York City from the Wanamaker Co., McCreery's 34th St. Store, O'Neill Adams Co., Bloomingdale Bros.

Trusting we have given you the information you desire, we are

Yours very truly,

THE AMERICAN MECHANICAL TOY CO.

(Sgd.)

F. A. WAGNER, *Gen. Mgr.*

F. A. W. x Fd.

EXHIBIT No. 30.

Joseph C. Brennan, Bell Phone 161.

Clarence C. Middleswart, Marietta 718.

Law Offices of

Brennan & Middleswart.

Marietta, Ohio,

December 14, 1912.

The Embossing Company, Albany, N. Y.

GENTLEMEN: Please send me at once, prepaid, as per your catalogue, one six dollar Meccano outfit. Postal order inclosed.

Very truly,

(Sgd.)

J. C. BRENNAN.

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EXHIBIT No. 31.

(Copy.)

J. G.

Albany, N. Y.,

December 17, 1912.

Mr. J. C. Brennan, Marietta, Ohio.

DEAR SIR: Beg to acknowledge receipt of your kind favor of the 14th inst. requesting one set of #3 Meccano.

You evidently overlooked enclosing the money order for this set, as same was not received by us. Upon receipt of this order, we will be glad to make immediate shipment.

Yours very truly,

THE EMBOSSING COMPANY.

EXHIBIT No. 32.

Joseph C. Brennan, Bell Phone 161.

Clarence C. Middleswart, Marietta 718.

Law Offices of

Brenan & Middleswart.

Marietta, Ohio,

December 19, 1912.

The Embossing Company, Albany, New York.

GENTLEMEN: Please cancel my order of the 14th inst. for a set of #3 Meccano. The Post Office money order department was closed when the letter was taken to be mailed, but the letter was evidently mailed by mistake anyway.

On the same evening I found substantially the same thing under the name of the Model Builder, at one of our local stores, and purchased it here at the same price. I supposed at the time it was the same thing, but find it is made by The American Mechanical Toy Company of Dayton, Ohio.

Very truly yours,
(Sgd.)

J. C. BRENNAN.

91

EXHIBIT No. 33.

Spitz's,

398-400 Main St., Paterson, N. J.

Tel. N. Y. & N. J. 736.

Paterson, N. J., 11/1/12.

The Embossing Co., Albany, N. Y.

Kindly send Electro for ad. #501, at once (lined out for newspaper work).

Respy.,
(Sgd.)

J. SPITZ & SON.

EXHIBIT No. 34.

Spitz's,

398-400 Main St., Paterson, N. J.

Tel. N. Y. & N. J. 736.

Paterson, N. J., 11/6/12.

The Embossing Co., Albany, N. Y.

GENTLEMEN: A few days ago we wrote you for a cut to be used in our advertising for "Meccano." Kindly let us hear from you as we are waiting to use same.

Respy.,
(Sgd.)

J. SPITZ & SON.

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EXHIBIT No. 35.

Copy of Letter for Information of Mauro, Cameron, Lewis & Massie

Albany, N. Y.,

November 21, 1912.

J. Spitz & Sons, Paterson, N. J.

GENTLEMEN: Referring to your recent request for a Meccano newspaper electro; we do not find any record showing that you have a stock of this line. If we are mistaken about this kindly send us particulars and we will be glad to send you not only a newspaper electro but also a set of attractive show cards.

Awaiting your advice, we remain,
Very truly yours,

THE EMBOSsing CO.
— — —, *Secretary.*

G. D. H./A. M. S.

PLAINTIFF'S EXHIBIT 37.

Double S. & H. Stamps Till Noon Single Thereafter

SPITZ'S FOR VALUES

398-400 Main Street, Paterson, N. J.

5 SHOPPING DAYS TO XMAS



75c Dressed Dolls 49c

Large size, pretty faces, attractively dressed with gaily colored materials, hats, shoes, stockings, etc., complete; value 75c each; on sale, special **49c**

49c Dressed Dolls 25c

Nestly dressed with pretty fancy materials, bright colors. Regular 39c values. On sale, special **25c**

5.00 Tapestry Portieres 3.98

Rich, heavy quality reversible mercerized Tapestry, handsome designs, green and red; finished with heavy colonial fringe; regular \$6.00 value; special pair **3.98**

69c Trolley Cars 39c

An excellent mechanical toy, best steel spring, with track and tunnel travel, complete. Value 69c set. On sale, special **39c**

Automobile Dolls 49c

New and pleasing gifts for the little ones, musical dolls in regular auto garments. Value 98c each. Reduced to **49c**

American Model Builders At Reduced Prices

Here is the most wonderful toy in the world. The toy that teaches while it amuses.

Putting up steel structures with Meccano, not only gives days and days of pure enjoyment, but it teaches the principles that the boys will later use in many walks of life.

WITH A SET OF

MECCANO

YOUR BOYS

can build the miniature copy of anything from a sky scraper to a traveling crane. All the fascination of making something with your own hands, all the delight of mechanical construction, all the thrill of doing something that even you do, are in MECCANO. You'll even enjoy it yourselves.

No. 1 Regular - **80c**
1.25 Value
No. 2 Regular - **1.75**
2.50 Value

PET'S GROCERY STORE

Large size, fitted with complete stock of groceries, counters, scales, etc. Regular \$1.50 value. Reduced to **98c**

Men's Bath Robes and Smoking Coats

BLANKET BATH ROBES

Very heavy downy quality; finished with rope girdle; special assortment at \$2.95 and \$3.95.

SMOKING AND HOUSE COATS

Self lined; made with contrasting pipings, at \$3.95 and \$4.95.

PAJAMAS AND NIGHT SHIRTS

In muslin and flannel at 49c, 69c, 98c and \$1.50.

MEN'S WHITE DRESS SHIRTS

Laundered and pleated bosoms. Special value **98c**

SWEATER COATS; economical-

ly priced; made in popular ruff neck, Byron and V shapes. Grouped as follows: 98c, \$1.49, \$1.98, \$2.49, \$2.98, \$3.49 and up to \$8.98. This includes every desired color.

\$1.50 FLEXIBLE SLEDS, 98c.

Strongly and firmly built, handsomely decorated, perfect self-steering device, best steel runners. Regular \$1.50 value. Our great special **98c**

Gloves

WOMEN'S GUARANTEED GLOVES AT 69c.

Boxed ready for gift distribution. Made in one and three-row embroidered backs; in all colors; regular \$1.00 quality **69c**

MEN'S AND WOMEN'S KASSAN LEATHER

Gloves that will wear well and gladden the heart of any recipient; come in tan, black and white; values to \$1.50. Special **95c**

GLOVES FOR LITTLE TOTS

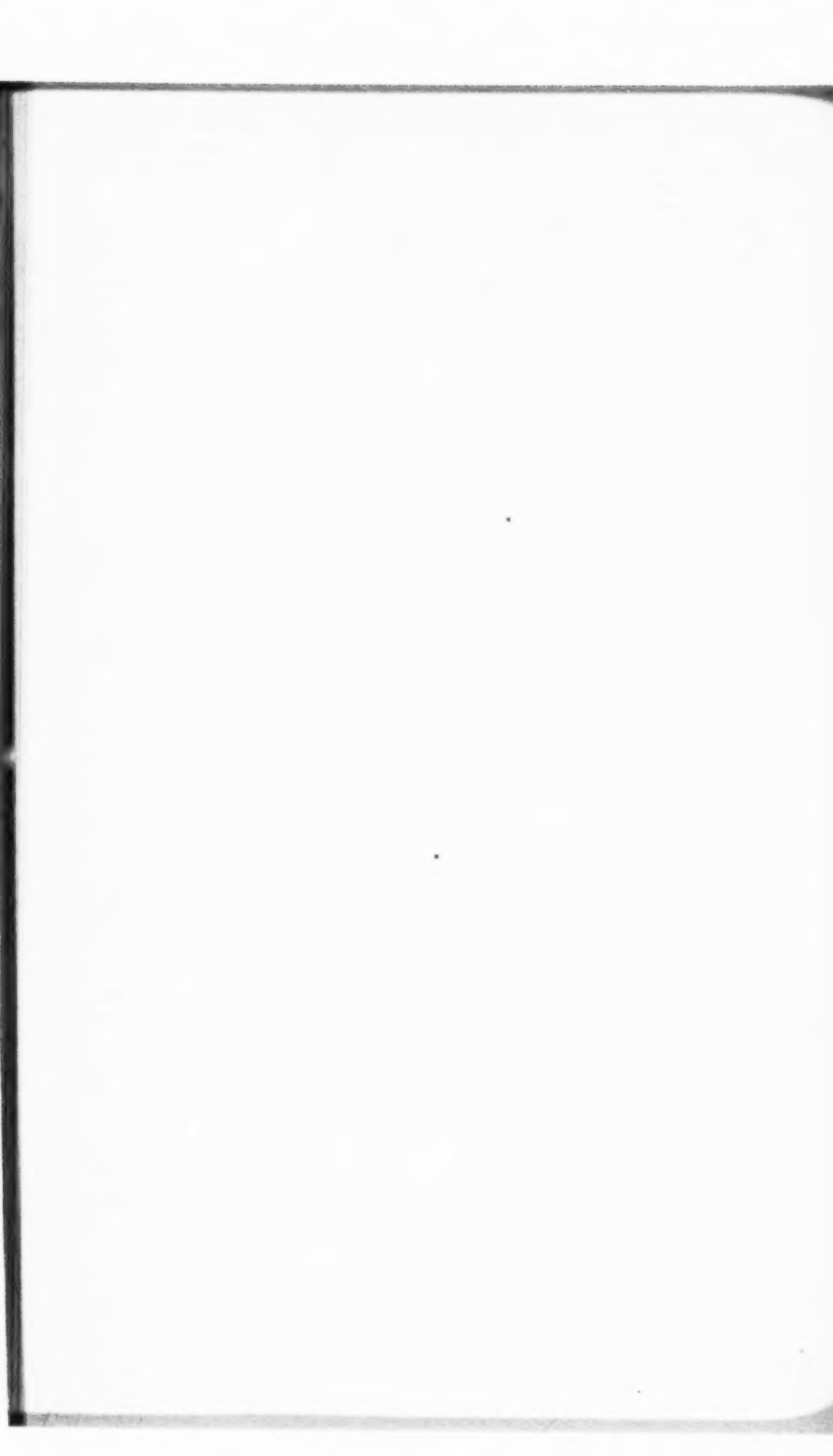
Greatest Variety in Town—Come and see. The cutest little gloves we've ever shown; to fit children of all ages from the little tot of 2 years up to the boy and miss of 16. In grey, mocha or tan cape, at 69c, 95c; some fur lined and silk lined, \$1.50 and \$1.98.

Regular 2.50 Umbrellas 1.49

An assortment that we are justly proud to possess as we know they can't be equaled elsewhere. Made of best quality cloth and linen piece dyed tafeta, mounted with handles that possess individuality and will suit the most discriminating. Come in women's and men's sizes; finished with silk, rope and tassels; actual \$2.50 colors. Specialty priced **1.49**

19c & 25c Handkerchiefs

Men's Pure Linen Handkerchiefs, 14-inch hem-stitched hems, plain and initial; women's Swiss embroidery; handkerchiefs; hemstitched and scalloped. Corner embroidery; plain linen and initial handkerchiefs; 19c and 25c qualities; extraordinary value. Choice **12c**

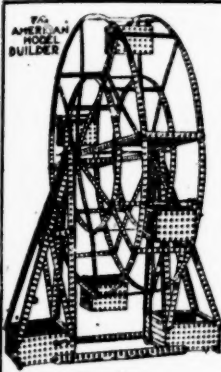


PLAINTIFF'S EXHIBIT 45.

48

TOYS AND NOVELTIES.

October, 1912.



The American Model Builder Makes Mechanics Easy

OUR NATIONAL ADVERTISING CAMPAIGN has been started with the Sept. issue of Harper's Youth's Companion, Popular Mechanics, American Boy and the Boy's Magazine.

If the American Model Builder is not in your assortment, you are not getting the benefit of this advertising.

RETAIL PRICES FROM \$1 TO \$6 PER SET LESS THAN ANY OTHER OUTFIT ON THE MARKET.

THIS ARTICLE IS FULLY COVERED BY PATENTS, AND WE WILL POSITIVELY GUARANTEE THAT IT DOES NOT INFRINGE ANY OTHER CLAIMS.

LIBERAL DISCOUNT TO DEALERS CATALOG ON REQUEST

The American Mechanical Toy Co.

MAKER OF QUALITY TOYS

DAYTON,

OHIO, U. S. A.

The Strobel & Wilson Co.
New York and Chicago.

SELLING AGENTS:
Hoguen-Thompson Sales Co.
Dallas, Tex.

Geo. F. Palmer
San Francisco, C. I.

EXHIBIT No. 36.

Spitz's,
398-400 Main St., Paterson, N. J.
Tel. N. Y. & N. J. 736.

Paterson, N. J., 12/3/12.

The Embossing Co., Albany, N. Y.

GENTLEMEN: Replying to yours of Nov. 21st would say that we have purchased "Meccano" from jobbers, Strobel & Wilken's.

Trusting that this is satisfactory and that you will send the Electros we ask for at once.

Respy. yrs.,
(Sgd.)

J. SPITZ & SON, N. Y.

(Here follow Plaintiff's Exhibits Nos. 37 and 45, marked pages 93 and 94.)

Copyright Office of the United States of America,
Library of Congress,
Washington, D. C.

Certificate of Copyright Registration.

This is to certify (in conformity with section 55 of the Act to Amend and Consolidate the Acts respecting Copyright approved March 4, 1909, that two copies of the book named herein have been deposited in this Office under the provisions of the said Act, together with the affidavit prescribed in section 16 thereof; and that an entry for copyright for the first term of twenty-eight years from the date of publication of said book has been duly registered in the name of

Meccano, Limited, Liverpool, England.

Book Entitled Meccano, Manual of Instructions.

By Meccano,

Limited, of England.

Liverpool, Eng. Meccano, Limited.

Date of Publication, August 11, 1911. Affidavit Received Aug.
14, 1911.

Copies Received August 14, 1911. Entry: Class A, XXc., No.
294,670.

(Sgd.)

THORVALD SOLBERG,

Register of Copyrights.

Copyright Office of the United States of America,
Library of Congress,
Washington, D. C.

Certificate of Copyright Registration.

This is to certify (in conformity with section 55 of the Act to Amend and Consolidate the Acts respecting Copyright approved March 4, 1909, that two copies of the book named herein have been deposited in this Office under the provisions of the said Act, together with the affidavit prescribed in section 16 thereof; and that an entry

PLAINTIFF'S EXHIBIT 58.

The American Model Builder

(By some called Mecanno)

Solves the question what to buy the boy, for every boy should have one. It teaches him to "use his head" and "use his hands" in many ideas in mechanics which will be of great use to him. The parts are accurately made so as to fit in the models described in the large catalog furnished with each set. The fathers are as much interested as the boys and together many happy and profitable hours are spent.

Some of the designs to be built are Trucks, Ladders, Railway Signals, Windmills, Traveling Crane, Scales, Turning Bridge, Inclined Elevator Chair, Extension Fire Truck, Fire Driver, Railway Crossing Gate, Warehouse and Elevator, Overhead Traveling Crane, Coal Elevator,

White City Flip Flop, Wright Aeroplane, Fan, Wheel and hundreds of others. It made in seven regular progressive outfits, and each outfit is complete in itself.

Regular Outfit	Number of Parts in Each Outfit	Will Build	Price
No. 1	80	30 Models	\$1.50
No. 2	140	30 Models	2.00
No. 3	240	41 Models	3.00
No. 4	340	54 Models	5.00
No. 5	518	68 Models	7.50
No. 6	880	70 Models	13.00
No. 11 1/2	accessory	outfit	1.00
No. 2 1/2	accessory	outfit	1.00
No. 4 1/2	accessory	outfit	2.00
No. 6 1/2	accessory	outfit	3.00
No. 8 1/2	accessory	outfit	5.00
No. 10 1/2	accessory	outfit	10.00

ANY BOY CAN BUILD

This Bridge with The American Model Builder, and all other model builders.

The greatest thing ever invented for Boys, Educating, entertaining and building. Ask our clerk to show you our outfit. Results from \$1.50 up.



These boys are erecting an exact model of the famous London Bridge

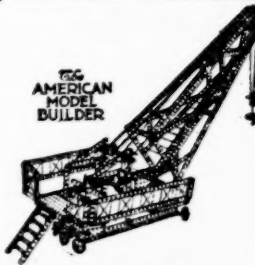
BOYS!

You can build your own city with The American Model Builder. The most interesting and educational game ever invented. Education, entertaining and building. Ask our clerk to show you all models. Results from \$1.50 up.



These boys are building the Eiffel Tower

THE AMERICAN MODEL BUILDER



This is a model of a large derrick, used for raising extremely heavy loads, and is much used in railroad construction

The American Model Builder

In just the time that you buy one you will make many more of them. Designs, drawings and more. Models made in 10 minutes. Ask our clerk to show you all models. Results from \$1.50 up.



This shows you the model of a Tower Truck

THE AMERICAN MODEL BUILDER



The boy will soon make up many additional models from his own ideas.

These goods are on sale Second Floor. Mail orders by parcel post on receipt of price.

W.B. READ & COMPANY.
BLOOMINGTON, ILL.



for copyright for the first term of twenty-eight years from the date of publication of said book has been duly registered in the name of

Meccano, Ltd., Liverpool, England.

Book Entitled Meccano Royal. By Meccano, Ltd.

Date of Publication, June 20, 1911. Affidavit Received June 22, 1911.

Copies Received June 22, 1911. Entry: Class A, XXc., No. 291,375.

(Sgd.)

THORVALD SOLBERG,
Register of Copyrights.

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EXHIBIT No. 57.

Spitz's.

Paterson, N. J., 11-11-13. 191

The Embossing Co., Albany, N. Y.

GENTLEMEN: We are having quite a number of inquiries about "Meccano" and would like to place a trial order for these goods.

Kindly send us a shipment of best numbers to the amount of about \$25.00 (Twenty-five) best selling numbers, also send erectors for newspaper advertising booklets, folders, etc.

Last season we unconsciously advertised your name in connection with another make. This was done through a misunderstanding as we were under the impression that it was the same thing.

Send at once.

Respy. yrs.,
(Sgd.)

J. SPITZ & SON.

(Here follows Plaintiff's Exhibit No. 58, marked page 98.)

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EXHIBIT No. 66.

The Curtis Publishing Company.

The Ladies' Home Journal, The Saturday Evening Post, The Country Gentlemen,
Philadelphia.

Advertising Department,

Edward W. Hazen, Advertising Director; S. R. Latshaw, Assistant Director,

1 Madison Avenue.

Attention of Mr. Little.

New York City, N. Y.,

October 30, 1913.

The George Batten Company, 381 Fourth Avenue, New York City.

GENTLEMEN: Your letter of October 11th was not answered earlier as I have been endeavoring to get information in connection with the matter referred to.

We have taken the question up with the proper department in Philadelphia, and they advise the situation is as follows:

"When the latest issue of the Book of Rebates was issued, The American Model Builder was substituted for Meccano, resulting in a buying saving of over thirty-four per cent. to this Company. Although the two outfits are similar The American Model Builder represents, in our opinion, the better value. The original announcement of the Meccano outfit was not retained as stated in the letter dated October eleventh, 1913. An entirely new offer was cast. The same cut was used but was thoroughly re-touched by the engravers beforehand."

The details of the Embossing Company's complaint are not quite clear to me, and I am wondering if the extract of letter quoted above gives you the desired information.

With kind personal regards, I remain,

Yours very truly,
(Sgd.)

W. A. PATTERSON.

(Here follow Plaintiff's Exhibits Nos. 67 and 68, marked pages 100 and 101.)

PLAINTIFF'S EXHIBIT 67.

Games

"MECCANO"

No. 733. Retail value \$4.00. Given for 110 brown vouchers. Express charges to be paid by receiver. The greatest game ever invented for boys. Beats anything you ever saw for developing genius and inventiveness. Thousands of boys are experiencing the delightful fun of building signal towers, bridges, traveling cranes, trucks and hundreds of other things that are actual working-models, built on the same principles that the real ones are. "Meccano" offers the widest field for the serious study of mechanics because it is a simplified system of modern mechanical construction. It comprises the main parts used in machines—beams, wheels, axles, levers, pulleys, bolts, etc. All made of malleable steel and brass—can be used indefinitely. Full instructions.



No. 733. 110 Brown Vouchers

50 Striped Cornelian Marbles. No. 358. Retail value \$1.00. Given for 35 brown vouchers. Postage prepaid. No two designs alike. These are more beautiful than these have never been made at any price. They are made of translucent Corn Striped red. 25 No. 1's and 25 No. 2's. Boxed.

50 Green and Brown Onyx Marbles. No. 295. Retail value 50 cents. Given for 25 brown vouchers. Postage prepaid. This is the "National" marble, size No. 2. Pack in paper box about one-third green and two-thirds brown color. Each marble absolutely round.

Buster Spring Peg Top No. 8. Retail value 5 cents. Given for 5 brown vouchers. Postage prepaid.

Ball-Bearing Top No. 9. Retail value 5 cents. Given for 5 brown vouchers. Postage prepaid.

Rainbow Humming Top

No. 153. Retail value 10 cents. Given for 10 brown vouchers. Postage prepaid. One set of colored discs with each top, boxed. By placing the colored discs over the stem of the top while spinning, striking colored effects are produced by simply touching the discs lightly on the edge.

No. 358. 35 Brown Vouchers

No. 358. No. 1

No. 358. No. 2

Checkers

No. 249. Retail value 50 cents. Given for 20 brown vouchers. Postage prepaid. Black and white only. Boxed.

No. 249. 20 Brown Vouchers

No. 293. 25 Brown Vouchers "Magna" Dominoes

No. 293. Retail value 50 cents. Given for 25 brown vouchers. Postage prepaid. Black with white dots. Boxed.

Reliance Steel Yacht No. 316. Retail value \$1.00. Given for 30 brown vouchers. Express charges to be paid by receiver. Imported. Folded key patent and hull, pressed of one piece sheet steel. Will not rust or become water-logged. With masts and sails complete. Board length 20 inches. Weight 2 pounds.

Extra German Darts No. 11. Retail value 15 cents. 3 given for 5 brown vouchers. Postage prepaid.



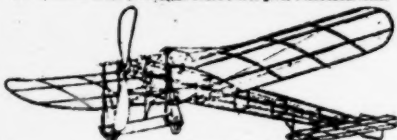
No. 316. 30 Brown Vouchers

Aeroplanes

No. 474. 88 Brown Vouchers

Three-foot "Ideal" Blériot Monoplane No. 644. Retail value \$2.00. Given for 90 brown vouchers. Express charges from Philadelphia to be paid by receiver. Three-foot wingspan, with full instructions for building. Guaranteed to give a full night's flight of 100 feet or more, provided instructions are followed. A complete construction kit of great educational value.

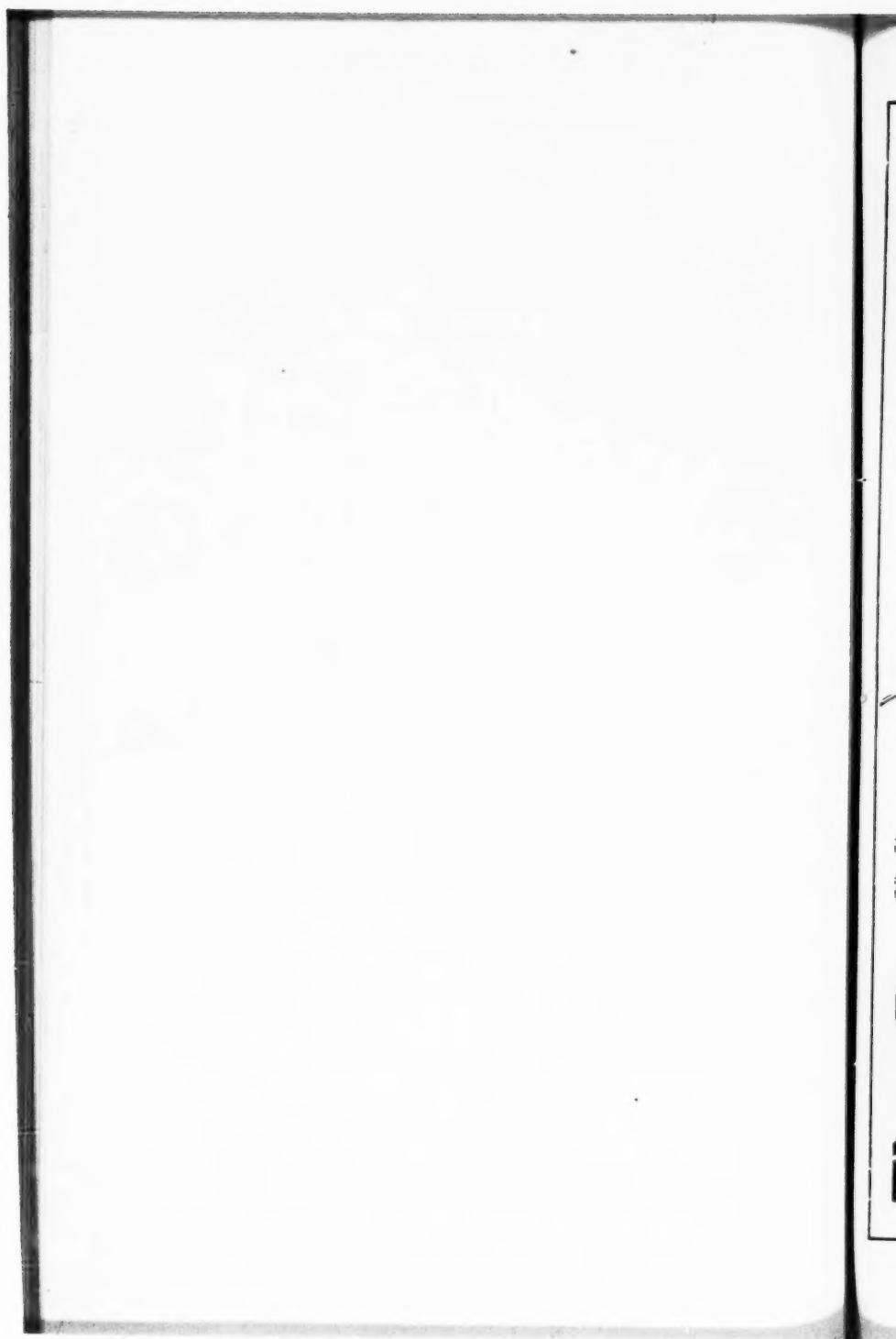
Three-foot "Ideal" Wright Biplane No. 880. Retail value \$4.00. Given for 175 brown vouchers. Express charges from Philadelphia to be paid by receiver. Three-foot wing model, with plans for mounting. Guaranteed to give successful flight of 100 feet or more, provided instructions are followed.



No. 644. 90 Brown Vouchers



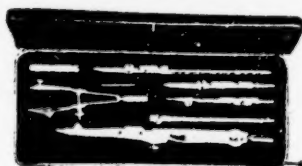
No. 880. 175 Brown Vouchers



PLAINTIFF'S EXHIBIT 68.



Arts and Crafts



No. 635. 60 Brown Vouchers

Mechanical Drawing Set

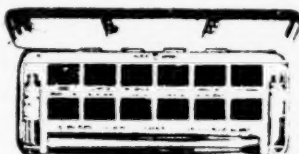
No. 635. Retail value \$2.25. Given for 60 brown vouchers or for 35 brown vouchers and 75 cents in cash. Postage prepaid.

Every boy and man who likes machinery likes mechanical drawing as well. This set, inclosed in plush-lined hinged leather case, includes one pair compasses and dividers, 6 inches long; one extension bar; one extension pencil, one extension pen; one drawing pen; one spring compass, key and box of leads. All these instruments are made in Germany, of German silver, and are of guaranteed quality.

Water Color Outfit

No. 636. Retail value \$1.10. Given for 20 brown vouchers. Postage prepaid.

If you have a knack for it nothing is more entertaining than painting with water colors. This box, made of black metal $7\frac{1}{2}$ inches long, contains twelve cakes of German colors, two tubes (sepia and Chinese white), and two camel's-hair brushes. The cover is dished to allow color mixing. We recommend this set to persons who want a water-color outfit of quality.



No. 636. 20 Brown Vouchers



No. 637. 35 Brown Vouchers

Pyro-Witch

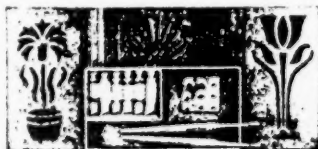
No. 637. Retail value \$1.25. Given for 35 brown vouchers or for 20 brown vouchers and 50 cents in cash. Postage prepaid.

With this instrument you can do wood burning without all the inconveniences of the old-time pyrography outfit. No bulls to press. Length 8 inches. Brass tank; coco-bolo handle. Furnished with complete guide-book for amateurs, giving simple and complete lessons in the art of wood-burning, three-ply carving, pyrography scroll work, painting, jeweling, etc. Inclosed in attractive box, with adjusting wrench.

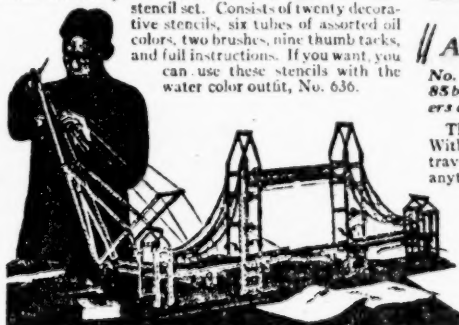
Complete Art Stencil Outfit

No. 639. Retail value \$1.00. Given for 20 brown vouchers. Postage prepaid.

Many persons have taken up this interesting work as a pastime. Pillow-slips, table-covers, chair coverings—these and many other articles can be made with this stencil set. Consists of twenty decorative stencils, six tubes of assorted oil colors, two brushes, nine thumb tacks, and full instructions. If you want, you can use these stencils with the water color outfit, No. 636.



No. 639. 20 Brown Vouchers



No. 646. 85 Brown Vouchers

American Model Builder

No. 646. Retail value \$4.00. Given for 85 brown vouchers or for 45 brown vouchers and \$1.00 in cash. Postage prepaid.

The greatest game ever invented for boys. With it you can build trucks, windmills, traveling cranes, pile-drivers, coal-elevators—anything your ingenuity suggests. It consists of perforated strips, girders, wheels and pulleys, axle rods, screws and nuts—in all, 250 pieces. Complete manual of instructions tells how to construct the standard models, but you'll find you can build many other models of your own thinking out. As good as a course in civil and mechanical engineering—and intensely interesting.



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EXHIBIT No. 99.

(Billhead of

John Wanamaker, New York.)

Order No. 765/48.

New York

12/20 1912.

To Embossing Co.

277 Bway.

City.

Terms 2% 10.

Dating EOM.

Confirming order. To be delivered at once.

John Wanamaker, New York,

Per Bockhorst.

No.	Description.	Price.	Total.
0	3 sets Meccano.....	1.00	
1	48 sets "..... Set	2.00	
2	24 " ".....	4.00	
3	18 " "..... 2946	6.00	
4	12 " "..... GDH	10.00	
1a	6 " ".....	2.00	
2a	6 " ".....	2.00	
3a	6 " ".....	4.00	

Less 33 1-3%

Confirming Phone Order 12/18.

ECS #1180.

Estimated Total 314.00
Met

Mark All Packages John Wanamaker

WW

Order No. 765/48 New York.

Date All invoices for goods
shipped on and after the
25th of the Month as:

First of Following Month.

103

EXHIBIT No. 99.

(Billhead of

John Wanamaker, New York.)

Order B 974-10.

New York

12/21/19.

To Embossing Co.

Albany, N. Y.

Terms 2/10.

Dating EM.

Confirming Order. To be Delivered 12/23.

John Wanamaker, New York,

Per Bockhorst.

No.	Description.	Sizes.	Price.	Total.
1	2 Doz. Meccano		2.00	
2	1 "		4.00	
3	1		6.00	
1a	1	M 3245	2.00	
2a	1	G.D.H.	2.00	
0a	1/4		1.00	
0	1/2		1.00	

John Wanamaker

WW

New York

33 1/3%

150

net

Date All Invoices for goods
shipped on and after the
25th of the Month as:

Confirming letter of 12/20/12.

First of Following Month.

- 104 *Affidavit of A. W. Koenig for Use in a Suit about to be Brought in the District Court of the United States for the Southern District of New York by Meccano, Limited, v. John Wanamaker, New York.*

In Equity. No. —.

MECCANO, LIMITED,

vs.

JOHN WANAMAKER, NEW YORK.

Affidavit of A. W. Koenig.

STATE OF MICHIGAN,
County of Wayne, ss:

A. W. Koenig, being duly sworn, deposes and says as follows:

I am of lawful age and reside in the City of New York, County of Bronx, and State of New York, am engaged in business as Manufacturers' Representative, and as part of such work make a specialty of investigating and collecting evidence of infringement in patent and analogous cases.

I have heretofore made affidavits and testified as a witness for plaintiff in the suit (hereinafter mentioned as the "Ohio Suit") of Meccano Limited v. Francis A. Wagner (trading as the American Mechanical Toy Company), and The Strobel & Wilken Company, in the United States District Court for the Southern District of Ohio, Western Division, for unfair competition, patent infringement, and infringement of registered copyrights on books.

105 The testimony which I gave and the evidence which I produced as a witness for the plaintiff in said Ohio Suit, in establishing the acts of the defendants therein, embraced certain dealings with John Wanamaker, New York, the defendant herein, and the purchase from said John Wanamaker, New York, of a certain No. 3 American Model Builder Outfit (Pl.'s Ex. 8 in the Ohio Suit), with two copies of the "American Model Builder Complete Manual of Instruction" (Pl.'s Exs. 9 and 10 in the Ohio Suit), all as hereinafter set forth.

On Thursday, November 21st, 1912, about 1.15 P. M., I called at the office of the Strobel & Wilken Company, 591 Broadway, New York, N. Y., and asked to be shown samples of The American Model Builder, the descriptive catalogue of which I had previously seen, and then again saw, displayed in the window. A salesman asked me to go with him to the second floor of the building, where I saw displayed what seemed to me to be the entire line of American Model Builder Outfits such as are described in the catalogue above named. The salesman told me his concern does not do a retail business, and also told me that if I desired to place any wholesale or quantity orders for The American Model Builders or anything else his concern handled,

he would accept the orders. He also said that his Company only took large quantity orders, and could not accept any orders for sample lines of goods. He told me, however, that if I desired to purchase single American Model Builder Outfits, I could procure them at the John Wanamaker New York Store, which concern handles said outfits at retail. In addition to the complete sample line of American

Model Builder Outfits which The Strobel & Wilken Company
106 salesman showed me, which he said ranged in price from \$1.00 up as high as \$30.00, there was also a display show case containing accessories and separate parts. The salesman showed me a No. 1 American Model Builder Outfit, which he said retails at \$1.00; a No. 2 Outfit retailing at \$2.00; a No. 3 Outfit retailing at \$4.00; a No. 5 Outfit which retails at \$9.00, and so on up the line to the expensive outfit packed in a wooden case. I examined carefully the outfit which he showed me at this time, and on the covers of the boxes in which the outfits were packed, there appeared the following matter—in addition to the number of the outfit contained in said boxes, and a picture of two male figures with a model of a Ferris Wheel between them—to wit:

"The American Model Builder.

Copyright 1912.

The American Mechanical Toy Company.

The World's Greatest Mechanical Wonder.

Indestructible, Highly Entertaining, Practical, and Instructive.

All Mechanical.

Clearly Demonstrated.

Principles (No. —).

Patent Applied For."

The salesman also showed me an instruction book, a copy of which he stated is packed in the box with each American Model Builder Outfit. I examined this book carefully, and remember a number of illustrations in it; and in addition to the descriptive matter it contained, I noticed in particular that on the front cover appears the following:

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"The American Model Builder.

Complete Manual of Instruction.

For All Models That Can be Built with the Thirteen Progressive Outfits of the American Model Builder.

Manufactured by

The American Mechanical Toy Company, Dayton, Ohio, U. S. A.

Patent Applied For."

Before leaving The Strobel & Wilken Co. salesroom on this date, I again asked the salesman whether I could purchase the exact styles

of The American Model Builder shown to me by him, at the John Wanamaker New York Store, at the same prices that he quoted me; and he replied that I could, as the Wanamaker concern retailed the particular outfits of The American Model Builder of which he showed me samples.

That on Friday, November 22, 1912, at about 2.00 P. M., I called at the John Wanamaker Store, in the basement of the old building at Broadway and 10th Street, New York City, and asked the salesgirl who waited on me to show me the American Model Builder. She showed me several American Model Builder Outfits which she told me were the new style Meccano outfits made by The American Mechanical Toy Company, and were called "The American Model Builder." This sales girl also told me that the American Model Builder outfits that she showed me were made in this country, and were just like

the old Meccano outfits but much cheaper than the Meccano.

108 She told me that the Meccano was made in England, but that the American Model Builder was just as good as the Meccano.

The salesgirl showed me the following American Model Builder Outfits and quoted the Prices: No. 2—\$2.00; No. 3—\$4.00; No. 4—\$6.00; and No. 5—\$9.00 (the numbers here given appear on the outside or top of covers, as well as on inside of covers of the boxes containing the American Model Builder outfits). The sales girl also told me that she did not have any of the No. 1, \$1.00 outfits in stock, but that if I wanted one, she would order it for me; she also said that the American Model Builders have only been carried in stock and on sale at the John Wanamaker store for the past few months, and that she thought that they have only been on the market for that length of time. This sales girl also showed me a small showcase on the counter which she said contained the accessories of the American Model Builder. This case, as well as the four American Model Builder outfits shown me at this time, were the same in all respects as the ones shown me on the previous day (November 21st, 1912), when I called at the salesrooms of The Strobel & Wilken Company. The Wanamaker sales girl also showed me the American Model Builder "Complete Manual of Instruction," a copy of which she explained is sold with and packed in each box containing an outfit of the American Model Builder. I examined this book, and found it to be the same as, and its contents similar in all respects to, the ones I examined at the salesroom of The Strobel & Wilken Company on November 21st, 1912. I asked the sales girl if she had the old style

model builders called the Meccano in stock, to which she

109 replied that she had, and showed me a few. She said, however, that the old-style foreign-made Meccano were more expensive than the American Model Builder, and that I would like the American Model Builder just as well. I then told her that I would like to purchase one of the No. 3 American Model Builder outfits, with two copies of the Manual of Instructions. She told me that said outfit cost \$4.00 with only one Manual of Instruction, and that additional copies of the Manual of Instruction would cost 15 cents each. She told me that the model builder outfit in the old-style Meccano, similar to the No. 3 in the American-made Model Builder,

would cost \$6.00, and that said \$6.00 outfit contained practically the same parts as the American \$4.00 outfit.

I paid this salesgirl \$4.15 for the No. 3 American Model Builder outfit, with two instruction books or Manuals of Instruction, tendering her a ten dollar bill, out of which I received my change of \$5.85. I received from the sales girl, with my purchase, a "Guarantee Sales-Slip" on which the sales girl wrote the following:

"1 set Meccano.....	\$4.00	
1 Book.....	.15	
		————— \$4.15"

This sales-slip bears the numbers,

"1911-28
1478."

I wrote my name and the date of purchase on said sales-slip, the original of which is in use in the Ohio Suit (Pl.'s Ex. 7).

The No. 3 American Model Builder outfit which I purchased at this time (November 22nd, 1912) at the John Wanamaker
110 New York Store is the same in all particulars as the sample outfit No. 3 which was shown to me by the salesman at the salesroom of The Strobel & Wilken Co. on the day previous (November 21st, 1912). The two copies of the "Complete Manual of Instruction" which I obtained with this No. 3 outfit purchased at the Wanamaker Store are identical in all respects with the ones I examined at The Strobel & Wilken Company salesroom. I have marked the No. 3 outfit, as well as the two copies of Manual of Instruction, for identification, as follows:

"Purchased at the John Wanamaker Store, Broadway & 10th St., N. Y. City, Friday, Nov. 22, 1912, A. W. Koenig."

Said No. 3 outfit and said Manuals of Instruction are in use in said Ohio Suit as Plaintiff's Exhibits 8, 9 and 10, respectively.

On November 29th, 1912, I received by express two American Model Builder outfits #2 and #5, referred to in invoice of November 26th, 1912, previously ordered from The American Mechanical Toy Co., Dayton, Ohio. These two outfits are identical in all respects with the American Model Builder outfits #2 and #5 shown me at the salesroom of The Strobel & Wilken Company, on Thursday, November 21st, 1912, and also at the John Wanamaker New York Store on Friday, November 22d, 1912, hereinbefore referred to. Packed in both boxes with the outfits were also copies of "The American Model Builder Complete Manual of Instruction," which are identical in all respects with the copies of the Manuals
111 of Instruction which I examined at The Strobel & Wilken Company establishment and also at the John Wanamaker New York Store, heretofore referred to.

I have marked the covers of both boxes containing the No. 2 and No. 5 American Model Builder outfits, as well as both the Manuals of Instruction, for identification, as follows:

Covers of boxes marked "Received by express Nov. 29, 1912, from American Mechanical Toy Co., Dayton, Ohio, A. W. Koenig."

Manuals marked "Received in box with outfit #2 and #5 from American Mechanical Toy Co., Dayton, Ohio, Rec'd Nov. 29 1912 by express. A. W. Koenig."

Said outfit No. 2 and its Manual are in use in said Ohio Suit as Plaintiff's Exhibits 15 and 16, respectively. Said outfit No. 5 and its Manual are also in use in said Ohio Suit as Plaintiff's Exhibits 17 and 18, respectively.

On November 23rd, 1912, I also wrote to the John Wanamaker New York Store, the following being an exact copy:

"Nov. 23d, 1912.

"John Wanamaker Co., Broadway & 10th Street,

GENTLEMEN: A short time ago I purchased a No. 3 American Model Builder Outfit, and now wish to purchase an accessory outfit.

Kindly inform me what number outfit I will need and what is the price.

Also let me know if you carry the American Model Builder or Meccano Accessory outfits or will you be obliged to order
112 same from the factory in Dayton, Ohio.

Please reply by return mail, and oblige,

Yours truly,

A. W. KOENIG."

In reply to the above, I received a letter from John Wanamaker, New York, under date of December 4th, 1912. The original of said letter is in use in the Ohio Suit as Pl's Ex. 20. It reads:

"Dec. 4th, 1912.

"Mr. A. W. Koenig, 66- East 231st St., near White Plains Ave., New York City (Bor. Bronx).

DEAR SIR: We trust you will accept our apologies for the long delay in responding to your recent inquiry letter which we assure you has been unavoidable.

In reply now wish to say we carry the #3¹/₂ American Model Builder at \$2.00 which is the Accessory Outfit to #3. We also have the Accessory outfits of Meccano and American Model Builder ranging in price as follows:

"Meccano."

1-A.....	\$ 2.00	3-A.....	\$ 4.00
2-A.....	2.00	4-A.....	8.00
5-A.....	\$ 18.00		

American.

1 ¹ / ₂	\$ 1.00	4 ¹ / ₂	\$ 3.00
2 ¹ / ₂	2.00	5 ¹ / ₂	6.50
3 ¹ / ₂	2.00	6 ¹ / ₂	20.00

113 We hope this information will reach you in good time, and that we will have the pleasure of receiving your order which we assure you will be given our immediate and most careful attention, upon arrival.

Yours truly,

(Sgd.)

JOHN WANAMAKER, NEW YORK."

A. W. KOENIG.

Subscribed and sworn to before me this 27th day of November, 1916.

(Sgd.)

NORTON I. MILLER,

[SEAL.]

Notary Public, Wayne Co., Mich.

My Commission expires Oct. 12, 1917.

114 *Affidavit of Ralph L. Scott for Use in a Suit About to be Brought in the District Court of the United States for the Southern District of New York by Meccano, Limited, v. John Wanamaker, New York.*

In Equity. No. —.

MECCANO, LIMITED,

VS.

JOHN WANAMAKER, NEW YORK.

Affidavit of Ralph L. Scott.

STATE OF NEW YORK,

County of New York, ss:

Ralph L. Scott, being duly sworn, deposes and says:

I am of lawful age and reside at Montclair, New Jersey; I am an attorney at law and associated with the firm of Mauro, Cameron, Lewis & Massie, New York and Washington, making a specialty of patent and analogous cases. Said firm are attorneys in the United States for Meccano Limited, proprietor of a model building toy known as "Meccano." I am familiar with and have taken active part in litigation conducted by said firm in the United States against infringers and violators of the rights of said Meccano Limited, and particularly in the case of Meccano Limited v. Francis A. Wagner (trading as the American Mechanical Toy Co.) and the Strobel & Wilken Company. In said suit in the United States District Court, Southern District of Ohio, Western Division, the Hon. Howard C.

Hollister, District Judge, handed down an opinion (an authenticated copy of which is herewith presented) filed June 12, 1916, favorable to the plaintiff. Upon the basis of said decision, a decree (an authenticated copy of which is herewith presented) was entered on July 8, 1916, adjudging said defendants

guilty (a) of unfair competition, (b) of infringement of Meccano Limited's registered copyrights No. 293,175, dated June 22, 1911, on the "Meccano Royal" book of instructions, and No. 294,670, dated August 14, 1911, on "Meccano 1911 Manual," and (c) of infringement of Meccano Limited's U. S. Hornby patent No. 1,079,245, of November 18, 1913. Defendant's wrongful acts consisted principally in the manufacture, production, sale, use, exploitation, and distribution of certain toy model builder outfits designated "American Model Builder," and of certain printed manuals of instruction and other printed matter issued in conjunction with said toy.

In the present suit, John Wanamaker, New York, defendant, is charged with unfair competition, and with infringement of the aforesaid patent and registered copyrights, in offering for sale, selling, exploiting and distributing the same "American Model Builder" building toy outfits, separate parts, manuals and other printed matter, as were involved in the acts of the defendants in said Ohio case, and adjudged in that case to constitute unfair competition and patent and copyright infringement. In fact, as shown by other affidavits on this motion for preliminary injunction, certain exhibits used in said Ohio case, to wit, Plaintiff's Exhibit 8, No. 3 outfit American Model Builder—Exhibit 9, Manual of Instruction of American Model Builder—and Exhibit 10, Manual of Instruction of American Model Builder, were purchased in New York at the store of said John Wanamaker, New York, defendant herein. Other exhibits relied upon on this motion are the same as used in said Ohio suit.

The issues to be decided in the present suit are therefore substantially identical with those determined in said Ohio suit, the only material difference in the acts of the defendants in the two suits being that, so far as I am at present informed, the acts of John Wanamaker, New York, defendant herein, have consisted principally in the exploitation and retail sale of the "American Model Builder" product manufactured and produced by Francis A. Wagner (trading as the American Mechanical Toy Company), one of the defendants in said Ohio suit.

Under date of July 28, 1916, Messrs. Mauro, Cameron, Lewis & Massie, as counsel for Meccano Limited, addressed to John Wanamaker, New York, defendant herein, a letter advising said defendant that its acts with reference to "American Model Builder" constituted unfair competition and infringement of the patent and registered copyrights aforesaid, said letter reading as follows:

"July 28, 1916.

"John Wanamaker, New York, Broadway at Eighth Street, New York City.

DEAR SIRS: As counsel for Meccano Limited, of Liverpool, England, and the Meccano Company, Inc., of New York, we enclose herewith copy of Opinion and Decree recently filed in the suit of Meccano Limited v. Francis A. Wagner (trading

as The American Mechanical Toy Co.) and The Strobel & Wilken Co. By these enclosures you will note that the exploitation and sale of the structural toy known as 'American Model Builder,' certain of the Manuals accompanying the same, etc., have been adjudged to be in unfair competition with our clients' 'Meccano' product, and in infringement of our clients' Hornby Patent and certain of its registered copyrights. You will further note that the Decree awards an injunction against said Wagner and The Strobel & Wilken Co., also an accounting for all profits realized by said defendants because of their manufacture and sale of said American Model Builder, and further orders the payment of costs and damages suffered by our clients in consequence of said unlawful acts.

We understand that your New York and Philadelphia stores were *formally* among the largest retail distributors of Meccano in this country, and that your business in said product was rapidly increasing from year to year,—until the appearance on the market of the American Model Builder, whereupon you practically discontinued the exploitation and sale of Meccano and substituted American Model Builder therefor, and this with full knowledge of our clients' claim as to the unlawfulness of said product and in violation of their exclusive rights. One of the men in your Philadelphia store appeared as a witness on behalf of the American Model Builder, and
118 frankly told of the methods employed to sell the American Model Builder product to customers asking for Meccano.

In view of the broad adjudication of our clients' rights, and the adjudged flagrant violation of said rights by the manufacture and sale of American Model Builder, our clients are determined that all manufacturers and dealers shall scrupulously respect said rights in the future. We therefore hereby notify you to desist from further violation of our clients' rights aforesaid by the exploitation and sale of American Model Builder, and call upon you to make full reparation to our clients for your past violation of their rights.

We believe that a careful perusal of the enclosed Opinion and Decree will lead you to a disposition to adjust the matter amicably—that is, without resort to litigation; and, if you are of such disposition, we assure you our clients will meet you in the same spirit. Otherwise, it will be necessary to bring suit.

That there be no misunderstanding, we would add that the American Model Builder people have taken an appeal from the enclosed Decree, and that the issuance of the injunction awarded has been suspended pending said appeal, the defendants having filed a \$50,000.00 bond conditioned to pay all profits, damages and costs ultimately awarded our clients as against Mr. Wagner and The Strobel & Wilken Co. The taking of said appeal, however, does not in
119 any way diminish our clients' right of action against you, and said bond is in no way conditioned to cover profits or damages or costs for which judgment may be secured against you.

Please reply within the next few days, stating your disposition regarding an amicable settlement.

Yours very truly,
(Sgd.) MAURÓ, CAMERON, LEWIS & MASSIE."

L. L. S.

Registered mail.

Two Enclosures."

No reply has been received to said letter. In said Ohio suit, on March 26, 1915, defendants introduced the deposition of one J. S. Patterson, head of the Game Section in the store of John Wanamaker, Philadelphia. I attended the taking of said deposition as of counsel for complainant, and attach hereto, as a part of this affidavit, a complete and accurate copy of said deposition. In said Ohio suit, on March 29, 1915, the defendants also took the deposition of one Frank Botthof, an assistant buyer of toys in the store of John Wanamaker, New York.

On November 24, 1916, I personally visited the store of John Wanamaker, New York, at Broadway and Eighth Street, New York City, and there purchased a No. 2 American Model Builder outfit. Said outfit was wrapped up in a brown paper; and, on opening the box, I found that it contained an American Model Builder "Complete Manual of Instruction," a printed slip with the heading "American Model Builder Universal Plate," and a card for sending through the mails addressed to the American Mechanical Toy Company, Dayton, Ohio. I paid Two Dollars for said outfit, and received from the salesman a sales-slip showing the transaction. The said outfit, the manual, printed slip, card, and sales-slip were immediately initialed and dated by me, upon returning to my office after making the purchase, as follows: "R. L. S. 11/24/16."

The said American Model Builder outfit was purchased at a counter which contained an elaborate display of American Model Builder, including several built-up models. I examined several different sizes of outfits which were open and on display on said counter, and noticed that none of them contained a sector plate like the sector plates which were included in the American Model Builder outfits before the Court in the Ohio suit above referred to. Upon questioning the demonstrator who was in charge of said counter, I was informed that the American Model Builder was now being put out with what the demonstrator called an "improvement" over said sector plates, and the said demonstrator then proceeded to show me how the sector plate could be formed by combining two flat plates having a flange on one of the longer sides.

Thereafter, I walked about the Toy Department of said Wanamaker store until I came to another counter which carried a case containing separate parts of American Model Builder. As I stood looking at this case, a young saleswoman approached and asked, "Would you like to buy some American Model Builder parts?" I replied, "Yes, I would like two of those," at the time indicating the sector plate in the show case. Thereupon the saleswoman pulled out

a drawer in the back of said show case, took out two of the
 121 sector plates, and proceeded to make out a sales-slip. Said
 sales-slip was written out in my presence, and called for
 twenty cents as the price of "2 Meccano parts." I gave the sales-
 woman twenty-five cents, and shortly thereafter she handed me the
 change, the two sector plates, and a carbon copy of the sales-slip.
 Said plates and said sales-slip were immediately marked by me on
 returning to my office, as follows: "R. L. S. 11/24/16." Said sales-
 slip reads as follows:

"11/24 Pd. 20.

2 Meccano parts 10c. 20.

1579 WW.

11377-29 WW.

c. 25.

This slip should accompany goods returned.

11/24. 20.

Our Guarantee.

Each sales-slip filled out is as much our personal guarantee for the
 rightness of goods and prices as though issued personally. We
 count this personal responsibility and the confidence it begets as the
 basis of our success.

JOHN WANAMAKER, NEW YORK."

Reeve Lewis, Esq., of counsel for Meccano Limited, accompanied
 me in the above-mentioned trip to Wanamaker's store, and he was
 present at the time I bought the American Model Builder outfit
 above referred to and witnessed the entire transaction. Mr. Lewis
 was also present and heard all of the conversation between me
 122 and the said saleswoman at the time I purchased said two
 sector plates. He also has initialed said outfit and its ac-
 companying literature, as well as said sales-slip with his initials:
 "R. L."

Up to the time that said saleswoman made out said sales-slip, Mr.
 Lewis had not spoken a word in her presence, either to her or to me,
 and the only conversation that had passed between said saleswoman
 and myself was that above set forth—the word "Meccano" had not
 been spoken by any of us prior to the time the said saleswoman wrote
 it upon the slip. After the purchase of the plates had been com-
 pleted, and I had received them, together with the sales-slip, both
 Mr. Lewis and I casually looked at a Meccano show case which was
 on the same counter but a few feet removed from the American
 Model Builder show case, and at that time the said saleswoman in-
 quired if we also wanted some Mecanno parts, to which I replied,
 "No, thank you."

I am informed and believe that since the entry of the decree of
 July 8, 1916, and the filing of the bond, in the aforesaid Ohio suit,
 the Defendant Wagner therein (trading as The American Mechan-
 ical Toy Co.) has issued to the trade written assurances that cus-
 tomers dealing in the American Model Builder would be fully pro-
 tected as to any liability which they might thereby incur. I am

also informed that said Wagner (The American Mechanical Toy Co.) has published in the September, 1916, issue of "Toys and Novelties," page 14, a letter "To the Trade," referring specifically to the aforesaid Ohio suit and concluding:

"There is absolutely no interruption to our business, our goods are being manufactured and shipped regularly, and we will positively guarantee to hold all our customers harmless and free from any liability, notwithstanding the threats of our competitors."

The Defendant in the present case, John Wanamaker, New York, is, and has been, I am informed, one of the largest customers of said Wagner. I further believe, from trade rumors which have reached me, and from the attitude which said John Wanamaker, New York, has assumed in ignoring the warning letter hereinbefore quoted, that there exists between said Wagner (The American Mechanical Toy Co.) and said John Wanamaker, New York, some sort of an understanding or undertaking whereby said Wagner has obligated himself to defend any suit, such as the present, against said John Wanamaker, New York, on account of past and continued dealings in the American Model Builder product, and otherwise to hold said John Wanamaker, New York, harmless and free from any liability, in accordance with assurances such as that published in the letter to the trade above quoted.

I have been recently informed by a reliable Mercantile Agency that the business conducted under the name John Wanamaker, New York (the defendant herein) is a New York corporation; that the business conducted in Philadelphia under the name John Wanamaker, Philadelphia, is a Pennsylvania corporation; and that Mr. John Wanamaker is the virtual owner of the stock of both corporations, and the President of both corporations; that his son, Rodman Wanamaker, is Vice-President of both corporations; and that Wm. L. Nevin is Second Vice-President of both corporations. And I therefore state, upon information and belief, that said two corporations are, in effect, and to all practical purposes, one entity; and I have been informed by trades people that in buying goods to be delivered at one store it has happened that goods were at the same time ordered for delivery at the other store.

(Signed)

RALPH L. SCOTT.

Subscribed and sworn to before me this 2nd day of December, 1916.

(Signed)

WILLARD H. HARTING,

[SEAL.]

Notary Public, No. 55, Bronx County, N. Y.

Certificate filed in New York County, No. 305.

125 PLAINTIFF'S EXHIBIT CERTIFIED COPY OF OPINION IN OHIO
CASE.

District Court of the United States, Southern District of Ohio,
Western Division.

No. 23.

MECCANO, LIMITED, Complainant,

vs.

FRANCIS A. WAGNER (Trading as The American Mechanical Toy
Co.) and THE STROBEL & WILKEN Co., Defendants.

Action for Unfair Competition, Infringement of Copyright, and In-
fringement of Patent. Counter-claim for Unfair Competition.

In 1899 Frank Hornby, of Liverpool, England, conceived the idea of a mechanical toy composed of thin narrow strips of different lengths perforated with holes equidistant from each other, angle bars, wheels, nuts and bolts, so designed and constructed that by their use toy models can be built, in appearance resembling mechanical structures, and, in some instances, actually illustrating principles in mechanics applied and embodied in actual mechanical structures in common use in many arts in which the principles of mechanics are applied. Hornby had a mechanical turn of mind, and, as a boy
126 and young man, was accustomed to the use of the simpler tools used by mechanics. He was managing clerk in the office of one Elliott, an importer of American meat and live stock. He had no means, except a small salary, and his family included two boys, for whom he constructed the metal strips and other appurtenances hereinbefore described. Various mechanical structures were built up of these, and Hornby, believing he had found a toy for which there would be a market, obtained a British Patent in January, 1901. His want of means and the disinclination of the trade to further his efforts to put the device on the market, did not discourage him; but, having interested his employer, he found sufficient means to further develop the toy and to bring it to the attention of the public.

The first constructions were crude and composed of comparatively few parts, but the idea was there, and by the addition from time to time of further parts, it became possible for a bright boy to build up, either on his own initiative or from illustrations in the manual which accompanied each outfit of parts, an extraordinary number of devices resembling in form and appearance many structural devices known and used in the mechanical arts. There was nothing like it or resembling it on the market, and, after a number of years of effort to create a market by advertising and public demonstrations, a large business has been built up in the United States and elsewhere.

The toy is of great utility, of educational value, is stimulating to the imagination, appeals to a boy's creative faculties, and, not only gives entertainment, but is highly instructive.

127 Prior to 1908, about \$40,000.00 had been expended in the enterprise, including advertising. The toy was first called: "Mechanics Made Easy," and "Adaptable Mechanical Toy." It was in 1907 called "Meccano," by which it is known in the trade. The name was chosen after much consideration, and is a happy choice for a toy in the use of which models of mechanical devices may be built up. In 1908, the business was incorporated under the laws of Great Britain, under the name, "Meccano Limited." It was first attempted in 1908 to interest American dealers, and in 1909 the Embossing Company of Albany, New York, became the exclusive agency for the United States and Canada, although prior to that time some English exporting houses had sent some of the outfits to the American market. Sales of the Meccano in the United States developed rapidly—1909, \$7,000.00; 1910, \$24,000.00; 1911, \$49,000.00; 1912, \$114,000.00—and up to the last date, approximately \$100,000.00 had been spent in advertising, demonstrating in department stores, and divers other ways.

Each "outfit" of Meccano contains certain units, consisting of flat strips of metal, angular strips and plates of design and dimension of previous conception, so as to be adapted to the various kinds of models to be constructed. In these strips, etc., the place and dimension of the holes are also the result of thought, especially so in the early conception and development of the toy. This is also true of the ample fastenings by which units may be held together as well as appropriate wheels and other devices used in building up 128 the models, and all of these were made according to a standard, and, are, through the various kinds of outfits complainant sells, interchangeable, so that the parts of one outfit may, when appropriate, be interchanged with other parts; and in all the outfits, parts are interchangeable. The Meccano outfits are numbered from "0" to "6", inclusive, and the company sells accessories and supplemental outfits numbered "0A" to "5A", inclusive. In "0", there are different parts making up that outfit. From these parts a number of models can be made. This outfit has a certain price. In "0A", there are additional parts, which together are sold at a certain price. When "0A" is added to "0," they together make outfit "No. 1." And so on the system goes, the outfits expanding in parts and units until outfit "6," together with supplemental parts "5A," make up and comprise all of the preceding outfits and the additional parts to each outfit, the price becoming greater as the outfits contain more parts, units, etc. The plan upon which these commodities are sold was preconceived and has a definite object. If a boy starts with outfit "0," and wishes to increase, by additional parts and units, the opportunity for constructing models beyond the capacity of the units and parts in "0," he purchases the additional units and parts "0A." He then has an outfit which corresponds to outfit "1." And so if he first has, say, outfit "3," it would contain all the parts of "0," "1" and "2," which, of course, would include additional parts

"0A," "1A" and "2A." The units in these additional parts and the additional parts themselves may be purchased separately.

129 If a unit has been lost or injured, it may be obtained from dealers who carry Meccano. Such a unit can be used in its appropriate connection and relation in any Meccano outfit. The valuable quality of interchangeability attaches to the various parts. Each set is accompanied by a Manual, in which is depicted models, which may be constructed by the units contained in the outfit which it accompanies, though not intended to limit the possibilities of the units as the thought and ingenuity of the boy owner may suggest constructions not found in the Manual.

There is no doubt, and experience shows, that the use of an outfit, with its Manual, tends to develop a desire for a more extended opportunity the possession of further units would afford. Hornby created something. What he created has been developed since by him and his associates and by the complainant, which succeeded to their rights. That which was created was the result of study, of experiment, of expense; and when the result of these were brought to the market and to the attention of consumers, it became a creation of very great value.

It was known by a distinctive trade name, and gave to the consuming public a toy of a new character which was in its essence a "model builder," and might well have received that name. Each of the outfits has printed on its cover or casing, "Manufactured by Meccano, Ltd., Liverpool, Eng." The box covers of Meccano outfits are black, the label—the color red predominating, the word "Meccano" in large letters being in red, and the legend, "The World's Mechanical Wonders in Every Home," being in red—when pasted on leaves a margin of black.

130 In each outfit, the parts or units making it up are neatly arranged in the containing box. The label also on the box represents a boy building a model of one kind or another.

There is no doubt that when the defendant Francis A. Wagner, trading as The American Mechanical Toy Co., introduced into the market the commodities of which Meccano Limited, complain, the trade and a large part of the consuming public were acquainted with complainant's model builder, and the trade and those of the consuming public who had seen Meccano outfits knew it as of British make. The name "Meccano" itself attracts attention, and particularly when seen in connection with printed representations of models of well known mechanical constructions; and the name had become identified with a toy model builder, the only one of its kind.

Prior to the date this suit was brought, Wagner and the defendant, The Strobel & Wilken Co., of New York and Dayton (Wagner's selling agents) had introduced into the market, a model builder, which, except for great care in examination, cannot be distinguished from the complainant's Meccano; and, in connection with the model builder so introduced by defendants, a manual which could not, in my judgment, have been made in the way they are made, in the language and figures chosen, and in the models displayed, unless the constructor had before him a manual or manuals issued by complainant.

131 The covers of defendants' outfits are black. The predominating color of the label is red, a boy engaged in the construction of a mechanical model is displayed; and on the label is inscribed "The World's Greatest Mechanical Wonder." The choice of the name "The American Model Builder," is significant, giving the impression that it is different from the British model builder (the prior and well-known Meccano), when, in fact, it is the same. The idea conveyed by defendants' label is just the same as the idea conveyed by complainant's label. If one had seen an advertisement of a Meccano model builder, or had seen a neighbor's boy building models with Meccano mechanical units, and had gone to a toy store for the purpose of buying such an outfit and had seen there defendants' outfits and had purchased one, there is no doubt he would think he had bought what he had gone after. There is testimony showing results of similar character. Testimony, however, is not needed, for the outfits themselves, in numbers and parts corresponding with the complainant's and the arrangement of the parts in the boxes and the appearance of the boxes, are enough in themselves, without any testimony to warrant the court in concluding, as is now concluded, that the defendants' outfits, parts, boxes and labels would deceive the purchasing public, and were so intended. A mere glance at Plaintiff's Exhibits 8, 15 and 17; of defendants' outfits of 1912, and a comparison of these with Plaintiff's Exhibits 24 to 26, inclusive, show that the one is copied from the other in all substantial details.

Defendants' outfits are also seven in number, numbered 1 to 7, inclusive, so that "No. 1" corresponds to Meccano "0," and so on.

132 Hence, for instance, "No. 3" American Model Builder is the same as Meccano "2," and additional parts "0A" Meccano are additional parts "No. 1½" American Model Builder. As an illustration, the Meccano, 1911, lists of separate parts—some of peculiar construction—have been duplicated in all respects in the defendants' corresponding lists. The defendants have added two parts, a rack and eccentric wheel. Meccano had not, prior to that time, listed or made these—at least, had not put them upon the market. These and a few other additional parts introduced by defendants from time to time, all embodying ancient and well-known mechanical principles—"set-screws" for instance—complainant uses in subsequent outfits. Upon this, the defendants found their separate counter-claim for unfair-competition.

The building up of models requires not only that certain parts shall be of constant shape and size, but that the holes in the parts shall be equidistant from each other, the distance in all the parts between the holes being the same. This establishes a standard. That standard of distance Meccano established as $\frac{1}{2}$ inch. The adoption of the same standard by the defendants was not accidental. If a different standard had been adopted, then American Model Builder parts and Meccano parts could not be interchangeable, since in the Model Builder the parts are substantially the same as the corresponding Meccano outfit of parts. A boy starting with a certain Meccano outfit can gratify his desire for additional parts for the construction of further models by purchasing the American Model

Builder parts, resulting in obvious injury to Meccano's business. However strongly defendant asserts ignorance, accident, or mistake, little weight can be given to what he says in the face of what is disclosed by the physical appearance of the outfits, the Manuals, method of arrangement of contents of boxes, and the appearance of the, what might be called, "show case exhibits of separate parts." "Complete Manual of Instruction" issued by defendants which accompanies each outfit, is called in Meccano, "Manual of Instructions." Defendants' Manuals may be the result of labor and thought, but the labor and thought is not of an original character, resulting in something new taken from a mass of common information; and it is clear enough that the labor and thought expended has been for the purpose of making a Manual, appropriate to the outfit it accompanies, counterfeit the Meccano Manual accompanying the corresponding Meccano outfit; and all for the purpose of deception. Even if there were no evidence tending to show actual palming off of the defendants' for the complainant's goods, there is a silent representation made by the outfits, the arrangement of parts and number of parts, the Manuals and some of defendants' advertisement, or the advertisement of those selling their goods, that "American Model Builder" is the same as Meccano. There are in evidence many instances of deception, confusion and mistake growing out of the similarity of these goods, even in their extraordinary detail. In addition to the evidence, the physical exhibits themselves disclose not only the intention of defendants that *his* outfit is the same as the corresponding Meccano outfit, and that it is interchangeable with Meccano parts, and other evidence in the case establishing both of these charges against the defendants, but there are also in evidence two of defendant's letters which convict him of both charges. The case is so clear that it would serve no useful purpose to set forth the many proved instances of the injurious effect upon complainant's trade caused by defendants' devices and the interchangeability of defendants' parts with the complainant's parts.

One of the earmarks of unfair competition—the sale of the imitating device at a lower price—is abundantly proved in this case. Of course, when dealers can get substantially the same article at a lower price, they will deal in that in which there is "more money." Notable illustrations of this is found in the instances of the Wanamaker stores and the Curtis Publishing Co. In these, Meccano has been largely supplanted by the American Model Builder, for the reasons that they are substantially the same, and it is more profitable for the dealer to buy the imitating article. It is shown also that, for the most part, the prices to the retail trade are less for American Model Builder than for Meccano.

The subject of unfair competition is, for the moment under consideration. Infringement of copyright and infringement of patent will be dealt with later. It seems to me that unfair competition exists both under the aspect of palming off, which is shown not only by instances in the testimony, but also in the more subtle way, as said by Judge Lacombe, "by simulating the collocation of details of

appearance by which the consuming public has come to
135 recognize the product of his competitor." *Enterprise Mfg. Co. v. Landers*, 131 Fed., 240, 241 (C. C. A., 2), affirming the District Court in 124 Fed., 923. As I read the facts in that case in the District Court, there are two noticeable differences between it and this case when dealing with the subject of palming off one's goods for another. They are that the facts in this case show, if possible, an even more pronounced instance of appropriating all by which the complainant's product had become known to the public, and that the defendant in that case was honest enough to admit all that he had done but took the position that he was entitled, under the law, to appropriate what belonged to the complainant. He attempted to justify himself, as the complainant does in this case, by the decision of the Circuit Court of Appeals — this Circuit in *Globe-Wernicke Co. v. Fred Macey Co.*, 119 Fed., 696. Judge Platt had no difficulty in distinguishing the facts in that case from the facts before him, and he sets forth some of the reasons. In addition it may be said that, in the *Globe-Wernicke* case the units were well known. They belonged to a class of commodities for which there had long been a market. Anybody could build one in the way they were built. Nothing in the way of business system was involved in placing one unit upon another, or several units end to end, in making up a book case. In this case, there was not until Meccano came upon the market, anything like it known. There was no class which would comprise it, or to which it could be assimilated. Further, the
136 various parts in each unit were futile in themselves, and so was the unit made up of the parts. The book case unit as constructed, was the final construction, except, if one wanted to, he could add one to another; but in Meccano the construction of the thing into which the parts in the unit went, was in the power of the purchaser alone. He could make such constructions as pleased him, either by suggestions from the Manual, or such as came from the fertility of his own mind, all within the limits of the parts the particular unit comprised. The *Globe-Wernicke* case is not helpful to the defendants.

In addition to *Enterprise Mfg. Co. v. Landers* (131 Fed., 240), the principle will be found in *Yale, etc., Co. v. Alder*, 154 Fed., 37 (C. C. A., 2), and *Rushmore v. Manhattan, etc., Works*, 163 Fed., 339 (C. C. A., 2).

Unfair competition exists also in that the complainant has established a business system which is peculiarly its own. This was done at the expense of time, thought, labor and much money. If it be assumed that this court is in error with respect to the finding of palming off of defendants' goods for the complainant's, establishing thereby unfair competition, yet the defendant uses complainant's business and the system it has established. In these it has acquired a property right of which its competitor cannot deprive it by introducing his goods into, and as a part of, complainant's business and business system. In this respect, the case strongly resembles *Prest-O-Lite Co. v. Davis*, 209 Fed., 917, affirmed by the Circuit Court of Appeals of this Circuit, 215 Fed., 349.

If it be assumed that defendant could establish a business system of his own and enter into competition with the complainant's similar system, it seems to me quite clear that the defendant's system could not be so used as to appropriate the business and good will established by the complainant. It cannot be that the defendant can build up his own business by taking away complainant's business through the very method established by complainant for carrying it on. The American Model Builder is not only a fraud on the public, but also a fraud on the complainant.

I find the charge of unfair competition amply established by the facts and under the law.

Defendants are charged with infringement of copyright No. 291,375 of June 22, 1911, "Meccano Royal Manual," as shown in Plaintiff's Exhibits 42 and 42-A; and No. 294,670 of August 14, 1911, on "Meccano * * * Manual of Instruction for Whole Series of Models" (Plaintiff's Exhibits 38 and 38-A.)

The defendants' infringement is charged to be in its Manual of 1912 (Plaintiff's Exhibits 9 and 10 and 112.) The publication and distribution of defendants' Manual is not denied, and is also proved. Whether or not complainant's Manual may be properly the subject of copyright, may be determined by the test laid down by Judge Jenkins in *J. L. Mott Iron Works v. Cloude*, 82 Fed., 316 (C. C. A., 7,) in which he says, referring to certain decisions of the Supreme Court:

"The result of these decisions would seem to place this construction upon the constitutional provision under consideration: That only such writings and discoveries are included as are the result of intellectual labor; that the term 'writings' may be liberally construed to include designs for engraving and prints that are original, and are founded in the creative powers of the mind—the fruits of intellectual labor; * * * that, to be entitled to a copyright, the article must have, by and of itself, some value as a composition, at least to the extent of serving some purpose other than as a mere advertisement or designation of the subject to which it is attached."

When this, together with other statements in the opinion, is applied to complainant's Manual, it cannot be successfully denied that complainant's Manuals were properly copyrighted. Aside from the attractiveness of the designs themselves, it is certain that much thought and labor must have been given to their construction. They are more than an advertisement of complainant's wares. They instruct the purchaser how to use the strips of metal and wheels and nuts and angles and plates, without which even a particularly bright boy would not be able to himself think out the many models set forth. It can scarcely be doubted, too, that in constructing models based on the illustrations, many mechanical devices, of which he would otherwise have no knowledge, are brought to his mind, and many principles of mechanics imparted to him.

The Manual is in reality a key by which the really wonderful treasures contained in the various parts of complainant's out-

139 fits may be unlocked. The outfits being the same, the defendant's Manual is also a key to complainant's treasure box. Reed v. Holliday, 19 Fed., 325, 326, is applicable to the situation.

That the defendant also regards the complainant's Manual as a proper subject of copyright, is shown by the fact that he has copyrighted his own. Defendant would have the court consider the defendant's Manuals alone as if they were apart from the alleged acts of unfair competition alleged and proved. It is true, it is a different subject and must be dealt with as such; nevertheless, the acts of unfair competition throw light upon the way defendant's Manuals were made up. Intention is held to be immaterial if infringement otherwise appears. Reed v. Holliday, 19 Fed., 325. But I take it that when intention also appears, it is a valuable fact when construing language, figures and illustrations found in defendant's Manuals. The thought and labor bestowed by defendant was not, as said before, in making a new work on the same subject, but was expended largely in paraphrasing the language of some of complainant's statements and descriptions in its Manuals so as to describe the same thing in somewhat different language. Paraphrasing constitutes infringement of a copyright as well as actual copying copyrighted matter. West Publishing Co. v. Thompson Co., 176 Fed., 833.

It is true that a part of the copyrighted Manual is found in Meccano's Manual of 1910, which was not copyrighted, and a prior Manual of 1910, copyrighted (Complainant's Exhibits 40 and 41.) But material and substantial matter found in the copyrighted

140 Manuals charged to be infringed, will be found in the Manuals complained of, either paraphrased or in the same words. The appropriation of a substantial portion of another's copyrighted work constitutes infringement. Springer Lith. Co. v. Falk, 59 Fed., 707 (C. C. A., 2.) It is also true the defendant has not appropriated the entire copyrighted work; but he has materially diminished the value of complainant's work, and appropriated its labors to an injurious extent. This constitutes infringement. Greene v. Bishop, Fed. Cases, No. 5,763. See, also, Folsom v. Marsh, Fed. Cases, No. 4,901. The true test of piracy, or not, is laid down by Mr. Justice Story in Emerson v. Davies, Fed. Cases, No. 4,436, at p. 625:

"It has been truly said, that the subject of both of these works is of such a nature that there must be close resemblances between them. But the real question on this point, is, not whether such resemblances exist, but whether these resemblances are purely accidental and undesigned, and unborrowed, because arising from common sources accessible to both the authors, and the use of materials open equally to both; whether, in fact, the defendant Davies used the plaintiff's work as his model, and imitated and copied that, and did not draw from such common sources or common materials."

When defendant's Manuals are subjected to the tests laid down in these cases, there is no room for doubt that the Manuals complained of are piracies of complainant's copyrighted Manuals which the defendants are charged in this case with having

141 infringed. The defendant claims that the copyright-sued on are void and

without merit. The objection that certain printed statements in the affidavit of Hills were untrue and that Hills did not actually see the printing of the copyrighted Manuals in the United States seems to me frivolous. The first resulted from the failure to strike out from a printed form certain alternative printed statements of facts applicable to the particular capacity in which the affiant appears. Hills neglected to strike out the inapplicable statements, but the affidavit shows in the application for registration of the large Meccano, 1911. Manual, that he was the duly authorized agent of the claimant of the copyright; and it is quite clear there was no fraud or injury, or intended fraud or injury, worked on the Government, or upon any one, by the failure to strike out those printed statements not applicable to the capacity in which he made the affidavit.

As to the second claim, it is true Hills did not see the type set up or the copyrighted Manuals bound. But what he did was in the ordinary course of business. He employed the printer to do the printing and furnished him the copy from which to do it. There might have been stronger evidence of these facts; but, so far as appears, the work was done by printers in Albany whose names appeared in evidence. Defendant could have called them. What appears is at least prima facie evidence of the fact that the statute was complied with.

142 There are many indications that the person or persons who made up the defendant's Manuals complained of, must have had before him or them complainant's Manual and illustrations and descriptions; the therein set forth models; statements and prices of separate parts, and the arrangement of these when the Manuals complained of were made. This conclusion is irresistible from what is found in the respective Manuals, especially when one considers the manner in which the defendant copied complainant's outfits and ideas, and the purposes for which this was done. As an illustration: When figure 48 of the American Model Builder of 1912 (Plaintiff's Exhibit 10) is compared with figure 64, Meccano Manual of 1911 (Plaintiff's Exhibit 38), the conclusion cannot be escaped that one was copied from the other. The fact is, defendant copied its Manual both from complainant's copyrighted and uncopyrighted Manuals. And there are ample particulars in the Manuals complained of, sufficiently copied from the Manuals charged to be infringed, to hold the defendant guilty of infringement of complainant's copyright.

Such embarrassment as complainant might otherwise have from the date (1910) on the manual claimed to be like Exhibit 42, is relieved by the showing that the models therein disclosed were not prepared for the market until 1911. The date, 1910, was a mistake, afterwards corrected in the Patent Office, the work being in fact published June 20, 1911.

The claim that the copyright of 1911 was abandoned by the copyright of 1912, cannot be sustained. Complainant may well claim that the copyright of 1912 was for a new book that could have been dated 1911, or 1912. West Publishing Co. v. Thompson Co., 176 Fed., 833, 835 (C. C. A., 2).

So far as the issues in this case are concerned, it is immaterial that editions of Meccano copyrighted Manuals were printed in England and accompanied the Meccano outfits sold in the United States. *Bentley v. Tibbals*, 223 Fed., 247; *Bowker, Copyright, Its History and Its Law*, pp. 279, 282, 283; Sections 15, 31 and 32, Copyright Act of 1909. The defendant was not injured and cannot complain.

Nor does defendant take anything by his claim that the copyrights are anticipated by Meccano uncopyrighted Manual of 1910, and by complainant's copyrighted "The Hornby System of Mechanical Demonstration." (Why, upon the former—Exhibit 40—is pasted a slip covering the word "copyrighted," does not appear; but apparently the defendant makes no point of this.) Besides many other differences, the former contains no models at all showing the important plates and sector exhibited in complainant's copyright charged to be infringed; and the latter (Exhibit 41) while containing models in which a plate appears, yet the plate has not the perforated flange and the sector does not appear at all.

Complainant's claim of infringement of the patent may be disposed of briefly, and for the most part, affirmatively.

The claims deal with flanged metal plates, as therein described and disclosed in the drawings—both the rectangular plate and the plate called "sector." They are of sheet metal with flanges, in 144 both cases perforated, the holes being of the standard distance apart and may be either circular, or oblong, for purposes of adjustment in the construction of models in which some slight freedom of motion is more desirable, if not necessary. If the patent is valid, there can be no doubt of defendant's infringement.

In addition to the prima facie validity, growing out of the fact that the patent was issued, its utility is further attested, not only by the fact of the defendant's use of it and that he claims to be the inventor himself, but an examination of the Manuals shows the many uses to which both the rectangular plate and the sector may be put, so far as disclosed. They are a valuable and distinct addition to the parts with which, in combination, many structures may be built which, without them—particularly so in the case of the sector—could not have been constructed.

Many uses which the rectangular plate may serve could be similarly effected by building up a construction or frame by appropriate metal strips. But it is apparent that a construction by the strips would lack the rigidity of the plate; and its great simplicity, when compared with the built up structure appropriate for similar uses, is clear. Furthermore, as one piece, it lends itself to structures which otherwise the young model builder might not, and probably would not, appreciate, in the absence of illustration in a Manual, or otherwise. It tends to encourage construction, as the ingenuity of the boy may discover further uses which would be beyond his capacity if he had before him only the strips. The rectangular plate is not,

therefore, one piece built up of the several theretofore 145 known parts, and not patentable, as in *Howard v. Stove Works*, 150 U. S., 164, and *Standard, etc., Co. v. Caster, etc., Co.*, 113 Fed., 162 (C. C. A. 6). It embodies rather the principle of *Deecco Co. v. Gilchrist Co.*, 125 Fed., 293 (C. C. A. 1). The plates, both rectangular and sector, accomplish a new result, as compared

with the strips, and its patentability in these respects is fairly clear. *Loom Co. v. Higgins*, 105 U. S., 580; *Krementz v. Cottle Co.*, 148 U. S., 556; *Watson v. Stevens*, 51 Fed., 757 (C. C. A. 1); *Canada v. Michigan Co.*, 124 Fed., 486 (C. C. A. 6).

If the patentability of the rectangular and sector plates is regarded as doubtful, the fact that they have gone into extensive use should be considered. *Standard, etc., Co. v. Caster Socket Co.*, 113 Fed. 162, 166 (C. C. A. 6), and cases cited therein.

I think, however, that, so far as the language of the claims are applicable to the rectangular plate, the patent in that respect has been anticipated by the disclosures in complainant's own copyrighted book: "The Hornby System of Mechanical Demonstration" (Plaintiff's Exhibit 41). The plate there appears as an important part, as no doubt it is, and is just like the rectangular plate of the patent, with the exception of the perforations in the flanges. I would not think that so slight a change would remove the rectangular plate from the charge of anticipation.

I find too, that the block with perforations regularly and uniformly arranged to correspond to the several parts in Quackenbush's patent of September 25, 1877, fairly anticipates complainant's 146 rectangular perforated plates. This conclusion, if correct, requires the holding that the complainant takes nothing from its claim- of the patent, so far as they are applicable to rectangular plates.

The claims, so far as they relate to the sector, are not open to this objection, nor do I find it anticipated in the prior art. Figure 4 in Annin's patent of January 21, 1884, forming the bottom of the wheelbarrow disclosed, is a part, it is true, of a built up toy; but the scope of the Annin patent is so narrow and its purposes so limited that I am unable to say that figure 4 would suggest the sector of complainant's patent. In any event, the sector with its variety of designed and possible uses is so great an improvement of Annin's device as to rise to the dignity of invention. This improvement, its utility and its different forms adapting it to uses of which Annin's device is not capable, together with its prima facie quality, warrant the finding of patentable invention.

If this conclusion with respect to the rectangular plates is wrong, I find from the evidence that, even if the testimony of Wagner, his wife and brother-in-law is true, since Hornby's invention was as early as February 4, 1911, and actual Meccano models were in the United States in June, 1911, and Meccano outfits made up in form for the trade were in the hands of the Meccano United States agency on July 29, 1911, it does not avail Wagner, because he did not exercise reasonable diligence in the actual reduction of his conception to practice.

Automatic, etc., Co. v. Pneumatic, etc., Co., 166 Fed., 288, 294, 147 et seq. Nor did the application of defendant Wagner of March 27, 1912, for a patent amount to a reduction to practice, because his application did not claim a patent on the plates, although in his specifications he says:

"The body 1 of the car is built up in the usual manner from the plates and strips of metal bolted together."

And figure 1 in the drawing shows a perforated plate. It does not, however, show the flanged plate, perforated or otherwise. Of

course, in any event he must be confined to his claims, and it is reasonably clear that the plate referred to in the specifications and shown in the drawings was not the flanged plate of complainant's patent or the flanged plate of complainant's copyright of 1910. If the story of defendant's conception of the flanged rectangular plate is true, it is strange, since — he used a plate at all in the drawings in his application of March, 1912, he did not disclose a flanged plate.

Hornby's claim 8 refers exclusively to the sector. Claims 1 to 7, inclusive, cover both the sector and the flanged plate. Neither defendant's application nor his drawings included the sector. Whatever may be disclosed by the contents of the file wrapper of the Hornby patent in suit, there is nothing in the evidence in the case to sustain the defendant's contention of the disclosures in the file wrapper. No attention is here given to the patents cited by the defendant subsequent to the date of complainant's patent, for the reason that they are not regarded as of consequence.

148 I find claims 1 to 7, inclusive, so far as they embrace the sector, to be valid. Claim 8 covering only the sector, is valid. Claims 9 and 10, covering new and useful combinations are held to be valid. Defendants infringe all of these.

In view of these conclusions, defendants' counterclaim has no merit.

Defendants assert that complainant comes not into court with clean hands, because for some years it marked its toys: "Patented in the United States January 16, 1906," when that patent was only for a special fastening clip. It did so mark them, but it does not appear that the purpose was to deceive the public. This is an essential element in the offense. *Walker v. Hawxhurst*, Fed. Cases, No. 17,071; *Lawrence v. Holmes*, 45 Fed., 357, 360, 361 (D. C.); *London v. Dunbar Corporation*, 179 Fed., 506 (C. C. A. 1). When Hornby was advised "that it was doubtful if his early United States patent longer covered the Meccano outfits as then marketed, he immediately gave instructions to the assembling department at Liverpool where all the marking was done, to discontinue it." But in any event, the wrong was not in connection with the controversy with the defendant, and defendant takes nothing by it. *Shaver v. Heller & Merz Co.*, 108 Fed., 821 (C. C. A. 8); *Camors-McConnell Co. v. McConnell*, 140 Fed., 412 (D. C.); *Bentley v. Tibbals*, 223 Fed., 247, 252 (C. C. A. 2).

Defendants' counter-claim will be dismissed.

An order to that end may be taken: also sustaining the copyright and charges of unfair competition, and the patent, so far as it covers the sector and the combination in claims 9 and 10.

149 The court requests counsel, when the decree is presented for entry, to again call the court's attention to the matter of the taxation of the costs under Rule 58 incurred in obtaining the testimony of Brennan and Read.

(Signed)

HOLLISTER.

District Judge.

Reeve Lewis, Ralph L. Scott, Healy, Ferris & McAvoy, Solicitors for Complainant.

H. A. Toulmin, Solicitor for Defendant.

150 PLAINTIFF'S EXHIBIT CERTIFIED COPY OF DECREE IN OHIO
CASE.

At a Stated Term of the District Court of the United States for the Southern District of Ohio, Western Division, Held in the Court Room Thereof, in the Federal Building, in the City of Cincinnati, State of Ohio, This 8th Day of July, 1916.

Present: Hon. Howard C. Hollister, United States District Judge.

No. 23.

MECCANO, LIMITED, Complainant,

vs.

FRANCIS A. WAGNER (Trading as The American Mechanical Toy Company) and THE STROBEL & WILKEN COMPANY, Defendants.

Decree.

This cause came on to be further heard at this Term, and was argued by counsel; and thereupon, upon consideration thereof, it was

Ordered, adjudged and decreed as follows, viz:

(1) That at the time of the filing of the Bill of Complaint herein Mecanno Limited, the complainant, was and now is an alien, being a subject of the Kingdom of Great Britain and a corporation
151 existing under the laws thereof, and is entitled to maintain this suit; and that the defendant Francis A. Wagner (trading as The American Mechanical Toy Company) was and now is a resident of the City of Dayton, and a citizen of the Western Division of the Southern District of Ohio; and that the defendant The Strobel & Wilken Company was and now is an Ohio corporation and a citizen of the Western Division of the Southern District of Ohio, all as alleged in the Bill; and that the subject matter here in controversy, exclusive of interest and costs, exceeds the sum or value of three thousand dollars (\$3,000).

(2) That Mecanno Limited, the complainant, was and now is the sole and exclusive owner of a model-builder or toy known by the trade-name "Mecanno," and has the sole and exclusive property right in and to the business system involved in the sale and distribution of said model-builder and the outfits and separate units or parts thereof, all as alleged in the Bill.

(3) That Mecanno Limited, the complainant, is the sole and exclusive owner of all right, title and interest in and to Letters-Patent of the United States No. 1,079,245, granted to Frank Hornby on November 18, 1913, and duly assigned to complainant, and of the invention therein set forth and claimed; that said Letters-Patent as to claims 8, 9, and 10 thereof are good and valid, and that claims 1 to 7,

inclusive, so far as they embrace the sector plate, are good and valid, and so far as they relate to rectangular plates are invalid.

(4) That Mecanno Limited, the complainant, is the sole
152 and exclusive proprietor and owner of Registered Copyright
No. 291,375, dated June 22, 1911, for "Mecanno Royal
* * * Book of Instructions," and of Registered Copyright No.
294,670, dated August 14, 1911, for "Mecanno * * * Manual of
Instructions for the Whole Series of Models," and that each of said
Copyright Registrations is good and valid in law

(5) That Francis A. Wagner and The Strobel & Wilken Com-
pany, the defendants, both jointly and severally, and well knowing
the premises, have been guilty of unfair competition with complain-
ant, and have infringed upon said Letters-Patent No. 1,079,245, and
have also infringed upon said Registered Copyrights Nos. 291,375
and 294,670, by publishing and distributing defendants' 1912 man-
uals—but no finding is made with respect to any other manuals or
publications of defendants, and the hereinafter named Master is di-
rected to ascertain whether there were any other infringing manuals
or publications, and if so, the extent thereof.

(6) That a perpetual injunction issue out of and under the seal
of this Court, directed to the said Francis A. Wagner and The Stro-
bel & Wilken Company, perpetually enjoining and restraining them,
and each of them, and their respective associates, assigns, attorneys,
successors, servants, clerks, agents and workmen, and each and every
one of them, from directly or indirectly competing unfairly with
Mecanno Limited, the complainant—by making or causing to be
made, selling, offering for sale, or causing to be sold, or using or
causing to be used, any model-builder or toy outfit such as the "Amer-
ican Model Builder," or any individual parts or units such as
153 contained in said outfits, and any book or manual of instruc-
tion such as included with said American Model Builder out-
fits or otherwise distributed and disseminated—or by copying or imi-
tating any Mecanno trade-circular, advertisement, or other printed
matter—or by imitating the boxes and containers of Mecanno outfits,
or the arrangement of the contents therein, the show-case exhibits of
separate parts—or by otherwise copying, counterfeiting and imi-
tating complainant's products—or by putting out outfits or
units capable of being palmed off and intended by said de-
fendants to be palmed off in place of Mecanno outfits and units—or
by otherwise using and invading complainant's business system;
from directly or indirectly infringing complainant's Registered Copy-
rights Nos. 291,375 and 294,670, or either of them, by printing, re-
printing, publishing, copying or vending, or by causing to be printed,
reprinted, published, copied, or vended, any of the aforesaid books,
manuals, or circulars, which have been included with said American
Model Builder outfits or otherwise distributed or disseminated; and
from directly or indirectly infringing complainant's Letters-Patent
No. 1,079,245 by making, selling, or using, or by causing to be made,
sold or used, the aforesaid American Model Builder outfits, or the
units and parts thereof; and from otherwise committing any acts

whatsoever in violation of complainant's exclusive rights in the premises.

(7) That the complainant do recover from the defendants all the profits and gains which said defendants, and each of them, have derived, received or made from their infringement aforesaid
154 of complainant's exclusive rights under its Letters-Patent No. 1,079,245 aforesaid; and all damages which the complainant has sustained by reason of said infringement; but the decision upon complainant's motion that the amount to be recovered by complainant from each defendant on account of damages shall be three times the amount of the actual damage found to have been sustained, is reserved until the coming in of the Master's Report.

(8) That the complainant do recover from the defendants all the profits and gains which said defendants, and each of them, have derived, received or made from their infringement aforesaid of complainant's exclusive rights under the aforesaid Registered Copyrights Nos. 291,375 and 294,670 or either of them; and all such damages as complainant has suffered because of said infringement; but the decision upon complainant's motion that in lieu of actual damages and profits the court, in its discretion, allow One Dollar (\$1.00) for every infringing copy made or sold by or found in the possession of the defendants, or either of them, and their respective agents and employees, is reserved until the coming in of the Master's Report.

(9) That the complainant do recover from the defendants all the profits and gains which said defendants, and each of them, have derived, received or made from their unlawful competition aforesaid with complainant, and from their violation thereby of complainant's exclusive property rights; and such damages as complainant has suffered because of said unfair competition and violation of its
155 rights; but the decision upon complainant's motion that exemplary damages be imposed upon each defendant and awarded to complainant, in the sum three times the amount of actual damages found to have been sustained, is reserved until the coming in of the Master's Report.

(10) That this cause be referred to Oliver S. Bryant, hereby appointed Special Master in Chancery herein—upon the evidence already taken and the exhibits in evidence in this case, and such further evidence and exhibits as may be offered before the Master by the parties to this cause—to ascertain, take, state and report to this Court, with all convenient speed, by separate statements with reference to each defendant, an account of said profits and gains, and to assess said damages; and the Master is hereby clothed with the usual and necessary powers of Masters in accountings in patent, copyright and unfair competition causes, including full authority to compel the attendance of the defendants, and each of them, and their employees, agents, representatives, etc., to compel the production of books and other documents, and to examine any and all witnesses ore tenus and otherwise.

(11) That the complainant do recover from the defendants, Francis A. Wagner and The Strobel & Wilken Company, either

jointly or severally, its costs herein to be taxed by the Clerk of this Court.

(12) That defendants' counter-claim herein be and the same hereby is dismissed, with costs.

(13) That judgment be entered forthwith against the defendants, Francis A. Wagner and The Strobel & Wilken Company, in favor of complainant, Meccano Limited for the sum of Four Hundred and Seventy and 26/100 dollars (\$470.26), the amount of costs fixed by the court under Equity Rule 58 to reimburse the complainant for expenses in connection with the Reed and Brennan depositions.

(14) That the determination of all other questions, including delivery up to the official custody of the court for destruction of all materials adjudged to be in violation of complainant's rights, and the awarding of an attorneys' fee under the Copyright Act of March 4, 1909, await the coming in of the Master's Report, and the court's conclusions thereon.

(Signed)

HOLLISTER,

United States District Judge.

UNITED STATES OF AMERICA,

Southern District of Ohio,

Western Division, ss:

I, B. E. Dilley, Clerk of the District Court of the United States within and for the District and Division aforesaid, do hereby certify that the foregoing is a true and correct copy of the original Decree entered July 8th, 1916, as the same appears on file and of record in the office of the Clerk of said Court, in the therein entitled cause.

In testimony whereof, I have hereunto subscribed my name and affixed the seal of said Court, in the City of Cincinnati, Ohio, this 8th day of July, A. D. 1916.

[SEAL.]

B. E. DILLEY, *Clerk,*

By HARRY F. RABE, *Deputy.*

(10c. Documentary Stamp canceled.)

157

Deposition of J. S. Patterson.

Philadelphia, Pa.,

March 26, 1915.

Testimony Taken on Behalf of the Defendants Before Anna G. Cunningham, 712 Land Title Building, Philadelphia, Pa., a Notary Public in and for the State of Pennsylvania, Philadelphia, Pa., at 10:30 o'clock, Pursuant to Notice and by Consent.

Present:

Ralph L. Scott, Esq., of Counsel for Complainant.

H. A. Toulmin, Jr., Esq., of Counsel for Defendants.

And thereupon J. S. PATTERSON, a witness produced on behalf of the defendants, being first duly sworn, testified as follows, in response to interrogatories propounded by Mr. Toulmin, Jr.:

By Mr. Scott: The testimony of this witness is not taken "by consent" as above dictated by defendants' counsel. The examination of the witness is objected to on the ground that he was not included in the notice served on complainant's counsel, and that no notice has been given of the intention to examine Mr. Patterson. Notice is hereby given that a timely motion will be made to strike out the deposition.

Q. 1. Please State your name, age and residence?

A. J. S. Patterson, 1315 North Robinson Street, West Philadelphia. Age, thirty-three.

Q. 2. What is your occupation?

A. Head of section, the game section.

Q. 3. In what store?

A. John Wanamaker's, Philadelphia.

158 Q. 4. Have the sales of toys come under your supervision in this division?

A. They do.

Q. 5. Does John Wanamaker carry a toy known as Meccano?

A. They do.

Q. 6. Does John Wanamaker carry a toy known as The American Builder?

A. They do.

Q. 7. Do customers coming into the store and asking for Meccano Toy, receive Meccano?

A. They do, provided—we have three different kind of toys. They are all shown, but where a customer insists on Meccano, Meccano is given. Very often in asking for Meccano, people mean Model Builder, as they sometimes ask for American Meccano. In this case we feel they are referring to Model Builder and in every case both is shown.

Q. 8. These customers are shown both kinds and the difference is explained to them, are they not?

A. Yes, it is.

Q. 9. These customers know what they are getting then, before they purchase, do they not?

A. They do.

Q. 10. Does John Wanamaker sell American Model Builder toys to persons desiring Meccano?

A. No.

Q. 11. Do the clerks in John Wanamaker's explain the difference between the various toys, if that is necessary?

A. They do.

Q. 12. Please state some of these differences which are explained to them?

A. Well, the difference in them, one is of a coarser mesh than the other in the gears, some are gilded parts, while others are of the nickel finish. The Model Builder has eccentric drive wheel and oscillating rack, which the others do not have. The separate parts are a little cheaper in Model Builder.

159 Q. 13. Are not the pinions in Meccano cheaper than the pinions in American Model Builder?

A. They are.

Q. 14. So that the parts may vary in price in one set and another?

A. They do vary.

Q. 15. So far as you know, customers coming into John Wanamaker's store have not been deceived as to Meccano and American Model Builder?

A. They have not.

Q. 16. Have customers or anyone else been told that Meccano and American Model were the same?

A. No, they have not to my knowledge.

Direct examination closed.

By Mr. Scott: For the reason stated, before the witness was sworn, complainant's counsel declines to cross-examine.

Signature waived.

Notary's certificate waived.

160 *Affidavit of Malcolm McAvoy for Use in a Suit About to be Brought in the District Court of the United States for the Southern District of New York by Meccano, Limited, v. John Wanamaker, New York.*

In Equity.

MECCANO, LIMITED,

vs.

JOHN WANAMAKER, NEW YORK.

Affidavit of Malcolm McAvoy.

STATE OF OHIO,

County of Hamilton, ss:

Malcolm McAvoy, being duly sworn, deposes and says: I am of lawful age and reside in Cincinnati, Ohio. I am an attorney-at-law and a member of the firm of Healy, Ferris & McAvoy, having offices in Cincinnati, Ohio. I am Solicitor of record for the Plaintiff and have been active, with Plaintiff's counsel, in the suit of Meccano Limited v. Francis A. Wagner (trading as The American Mechanical Toy Co.), and The Strolzel & Wilken Company, in which suit the Defendants have been adjudged guilty of unfair business competition, of infringement of U. S. patent No. 1,079,245 of November 18, 1913, and of infringement of registered copyrights 293,175, June 22, 1911, and 294,670, Aug. 14, 1911. I have considerable familiarity with all of the exhibits in said Ohio suit, particularly those introduced by Plaintiff.

I produce herewith a Meccano 1911 Manual, marked "Plaintiff's Exhibit 38," and bearing my initials "M. McA." and the
161 date of this affidavit (12/8/16). From comparison which I have made, the book which I produce appears to me to be an exact duplicate of the book constituting Plaintiff's Exhibit 38 in said Ohio suit, the only noticeable difference being that the latter does not bear the printer's mark appearing on the back of the cover of the book which I produce.

I also produce herewith an "American Model Builder Complete Manual of Instruction," marked "Plaintiff's Exhibit 10," and bearing my initials "M. McA." and the date of this affidavit (12/8/16). From comparison which I have made, the manual which I produce appears to me to be an exact duplicate of the book constituting Plaintiff's Exhibit 10 in said Ohio suit, except that the matter written by pen on the back of the book which I produce does not appear on said Exhibit 10 in the Ohio case.

I also produce herewith an "American Model Builder No. 2" Outfit, marked "Plaintiff's Exhibit No. 15," the label on the cover of which is initialled and dated thus—"W. H. H., 12/20/13." I am informed that said initials are those of Willard H. Harting, of New York, N. Y., and that he purchased said outfit in New York City at the "Fourteenth Street Store," on the date (December 20, 1913) indicated by the aforesaid numerals. I am further informed that, since said date of purchase, said outfit has been either in the possession of said Harting or in the possession of Mr. Ralph L. Scott, of counsel for Plaintiff herein. On the inside of the cover of said outfit, there
162 is a label listing the parts thereof; I find that the outfit, as it now appears, includes all of said parts, with the exception of the "1½ inch Pulley Wheel" and the "1 Complete Manual of Instructions." In the aforesaid Ohio suit, Plaintiff's Exhibit 63 is an "American Model Builder Complete Manual of Instructions," copyright 1913, and the list of contents, on page 79 of that book, for a No. 2 outfit exactly corresponds with the list of parts on the label on the inside of the cover of the outfit herewith produced. Said lists of contents for a No. 2 outfit vary slightly from the contents for No. 2 outfits as specified on page 56 of Plaintiff's Exhibit 10 herewith produced.

I have compared Plaintiff's Exhibit 15, American Model Builder No. 2 Outfit, herewith produced, with Plaintiff's Exhibit 15, American Model Builder No. 2 Outfit, in the Ohio suit, and find that they are substantially identical in all respects except for slight differences in the contents, accounted for by the slightly different specification of parts appearing on the labels on the inside of the covers of both, and the missing pulley wheel and manual of instruction from the outfit which I herewith produce as Plaintiff's Exhibit 15 herein.

I also produce herewith a Meccano No. 1 Outfit, marked "Plaintiff's Exhibit 24," the label of which I have initialled "M. McA., 12/8/16." The contents of this outfit agree with the specification of contents of Meccano No. 1 outfits given at page 46 of Plaintiff's Exhibit 38 herewith produced. I find, by comparison, that said Meccano outfit herewith produced is substantially the same in all

163 respects with the Meccano No. 1 outfit constituting Plaintiff's Exhibit 24 in the Ohio suit, the most noticeable difference being that the outfit which I now produce has a hinged cover on its box and a picture on the inside of said cover, whereas said Exhibit 24 in the Ohio suit has what is known as a slide-cover adapted to be slid over and about the main portion of the box, said cover having no inside picture.

(Sgd.)

MALCOLM McAVOY.

Subscribed and sworn to before me this 8th day of December, 1916.

[SEAL.]

HOWARD FERRIS,

Notary Public.

164 *Affidavit of William J. Schmitt for Use in a Suit About to be Brought in the District Court of the United States for the Southern District of New York by Meccano, Limited, v. John Wanamaker, New York.*

In Equity. No. —.

MECCANO, LIMITED,

v.

JOHN WANAMAKER, NEW YORK.

Affidavit of William J. Schmitt.

STATE OF ILLINOIS,

County of Cook, ss:

William J. Schmitt, being duly sworn, deposes and says as follows:

I am of lawful age and reside at 506 Gregory Avenue, Weehawken Heights, New Jersey. Since about September, 1913, I have been employed by the Meccano Company, the United States agent of Meccano Limited, plaintiff herein, as a traveling representative or salesman. For about three years prior to that time I was traveling representative for Meccano Limited in Germany, with headquarters at Berlin.

While traveling for Meccano Limited in Europe, I saw an advertisement in a magazine printed in the United States showing a cut of a truck which, according to the statements of the advertisement, was made of steel parts. The advertisement also said that a boy could make different kinds of models with the American Model Builder strips.

I knew that Meccano was being sold in the United States, but did not know who handled it, so I cut out the advertisement and sent it to the Berlin office of Meccano Limited, inquiring whether Meccano

165 was sold in the United States under the name of "American Model Builder," as I really thought the clipping was a Meccano advertisement.

On October 31, 1913, I called at the store of John Wanamaker, Philadelphia, with the intention of selling Meccano. The buyer whom I interviewed told me that he had a small stock of Meccano but that he was pushing American Model Builder, as he made more money by selling American Model Builder; and that it was the same thing; and that he always tried to sell American Model Builder instead of Meccano to customers coming in asking for Meccano, and that in this way he was selling ten American Model Builders against one of Meccano, and if we would give him a better price on Meccano he would push Meccano. When I asked him if he did not think this was exaggerated, he told me that he had placed an order for American Model Builder amounting to five times more than Meccano and that he could prove to me that he was selling at least five American Model Builders sets against one Meccano set.

The Meccano Company provides me with printed forms for reporting each interview I have with a prospective customer. On October 31st, 1913, I made such report on my interview with the Wanamaker buyer, and the same reads as follows:

"Name John Wanamaker.
Town Philadelphia, Pa.
Address Market, 13th, Chestnut & Juniper Sts.
Business Dept. Store A1.
Deals with the "American Toy Co." & "Embossing Co."
Date October 31st, 1913.

* * * * *

166 Whom did you see? Buyer.

Did you take an order? No.

Are our Showcards and Goods well displayed? No.

Are Meccano Goods well pushed? No.

If not, what are the reasons? Pushes American Model Builder. Buyer told me that he pushes 'American Model Builder' because he gets more discount. Stocks Meccano also, but keeps it underneath.

Remarks and Suggestions shelves so people don't see it. Fine display of 'Am. Mech. Buil.' Told me he sold 5 American Model Builder to 1 Meccano outfit. I fixed him up as good as I could to get him over on our side but this year he has bought 5 times more of Am. Mod. Builder than Meccano.

Camden, N. J.

(Signed)

WILLIAM J. SCHMITT."

The original of this report, obtained from the files of the Meccano Company, is in use as an exhibit (P.'s Ex. 81) in the Ohio Suit.

At the time of my aforesaid interview with the Wanamaker buyer I had no idea of ever being called upon to testify in any litigation on the subject of Meccano, and was not informed that I would be expected so to testify until about January, 1915.

It has been well known in the trade in the United States, and a leading point with salesmen of the American Mechanical Toy Company, that larger discounts and more liberal terms as to payment are offered and given on American Model Builder than on Meccano. Also that the retail prices on American Model Builder have been made considerably lower than on Meccano.

WILLIAM J. SCHMITT.

Subscribed and sworn to before me this 23rd day of November, 1915.

[SEAL.]

ELIZABETH B. DRIELSMA,

Notary Public.

United States District Court, Southern District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED,

VS.

JOHN WANAMAKER, NEW YORK.

Affidavit of F. W. Schaefer.

STATE OF OHIO,

County of Montgomery, ss:

I, F. W. Schaefer, being duly sworn, depose and say that I reside in Dayton, Ohio, and have for a long time past been connected with the office of Toulmin & Toulmin, in Dayton, Ohio, counsel for defendant herein. They are also counsel for defendants in the case of complainant against F. A. Wagner, doing business as The American Mechanical Toy Co., and The Strobel & Wilken Co., which suit was brought Dec. 24th, 1913, in the United States District Court for the Southern District of Ohio, Western Division.

In said Ohio suit this plaintiff made a motion for a preliminary injunction Dec. 24, 1913, which was heard March 7th, 1914. On Dec. 4th, 1914, the Court overruled said injunction motion. A copy of the memorandum is as follows:

"So much time having elapsed since the motion for a preliminary injunction was argued, and as there will be an opportunity in January for a hearing of the case upon its merits, and as such further delay for so short a time can work no injury to the complainant, I think best to overrule the motion for a preliminary injunction, and suggest to counsel for complainant that, upon application, a day certain in January be set for the hearing of the case upon its merits.

(Signed)

HOLLISTER,

District Judge."

On May 25th, 1915, and several days following, said cause was tried in Court on the depositions previously taken and on evidence taken

at the trial. On June 12th, 1916, an opinion was filed by the District Court deciding the case in favor of plaintiff on unfair competition and copyright questions and partly in favor and partly against the plaintiff on the patent infringement questions. On July 8th, 1916, an interlocutory decree was entered pursuant to said opinion and an injunction granted. On the same day an appeal was taken by defendants to the Circuit Court of Appeals for the 6th Circuit.

169 On July 8th, 1916, an order allowing said appeal and the filing of a cost and supersedeas bond was entered by the Court.

On July 12th, 1916, the cost and supersedeas bond in the sum of \$50,000.00 was filed and approved by the Court. Said bond is in the following words and figures:

"Know all men by these presents, that we, Francis A. Wagner, of Dayton, Ohio, as principal, and United States Fidelity and Guaranty Company, a corporation of Maryland, having its principal office in the City of Baltimore, Maryland, as surety, are held and firmly bound unto the plaintiff, Meccano Limited, in the full and just sum of Fifty Thousand Dollars (\$50,000), to be paid to said plaintiff, Meccano Limited, to which payment, well and truly to be made, we bind ourselves, our respective heirs, executors and administrators, successors, assigns and legal representatives, by these presents.

"Sealed with our seals and dated this 12th day of July, 1916.

"Whereas, on the 8th day of July, 1916, the District Court of the United States for the Southern District of Ohio, Western Division, in a suit pending in said Court between said Meccano Limited, plaintiff, and said Francis A. Wagner and The Strobel & Wilken Co., defendants, being Equity Case No. 23 on the docket of said Court, a decree was rendered against said Francis A. Wagner and The Strobel & Wilken Co., and said Francis A. Wagner and The Strobel & Wilken Co., having taken an appeal and filed a copy thereof in

170 the clerk's office of the said Court to reverse said decree in the aforesaid action and obtained a citation directed to said Meccano Limited citing and admonishing them to be and appear at a session of the United States Circuit Court of Appeals for the Sixth Circuit, to be holden at the City of Cincinnati, Ohio, in said circuit on the 7th day of August, next:

Now, the condition of the above obligation is such that if the said Francis A. Wagner and The Strobel & Wilken Co. shall prosecute said appeal to effect and shall pay to the plaintiff, Meccano Limited, all damages and profits and costs that may be finally decreed in plaintiff's favor by reason of the infringement of the patent and of the copyright registrations sued on herein and also by reason of any unfair competition also sued on herein, then the above obligation shall be void; otherwise shall remain in full force.

FRANCIS A. WAGNER,

UNITED STATES FIDELITY AND
GUARANTY CO.,

By EDWARD R. SHIPLEY,

Its Attorney-in-fact.

Approved by

HOLLISTER,

United States Judge."

nce then the evidence has been reduced to a narrative form, as
 ired by the rule of court and the whole transcript has been other-
 made up for filing in the Court of Appeals. I have had charge
 ne printing and the proof-reading of this record and am thor-
 oughly familiar with its contents. It has been submitted to
 Ralph L. Scott and Reeve Lewis, of the firm of Mauro,
 Cameron, Lewis & Massie, counsel for plaintiff in that action,
 a copy furnished to them. They are counsel for plaintiff in
 action and in this, and they have approved said transcript, as
 yn by the following order approving the narrative of the evi-
 ce:

ited States District Court, Southern District of Ohio, Western
 Division.

In Equity. No. 23.

"MECCANO, LIMITED,

VS.

F. A. WAGNER et al.

Order Approving Narrative.

Upon consideration of the narrative of evidence in this case pre-
 2 ted by defendants, the same is approved and ordered filed.

(Signed)

HOLLISTER,

United States District Judge.

Dec. 12, 1916.

Approved as to form:

REEVE LEWIS,

RALPH L. SCOTT,

Of Counsel for Complainant.

TOULMIN & TOULMIN,

Solicitors for Defendants."

I present with this affidavit a printed volume marked "Defendants'
 Exhibit, Defendants' Record in Ohio Case." This is known
 2 to me to be a true and correct copy of such record, this exhibit
 being defendants' part of the printed record in the Court of
 Appeals for 6th Circuit (with the exception of the Read testimony,
 which was taken by complainant).

I also present herewith a second volume, marked "Defendant's
 Exhibit, Ancillary Appeal Record in Ohio Case." This record I
 ve also had charge of in respect of its preparation and know it to
 a true record of the evidence connected with said ancillary pro-
 ceeding.

I also present herewith a temporary binder comprising a number
 prior art patents before the District Court in said Ohio case and
 forming a part of the record in the Court of Appeals in said Ohio

case. These patents, as a whole, are marked "Defendant's Exhibit, Prior Art Patents."

I further present herewith, marked "Defendant's Exhibit, Appellants' Motion 6th C. C. A." This exhibit is a true and correct copy of the original motion, notice and affidavit personally served by me Dec. 19th, 1916, on Messrs. Healy, Ferris & McAvoy, solicitors in Cincinnati for Meccano Limited. After such service said notice and motion, with the attached affidavit of Mr. Wagner, were duly filed with the Clerk of the Circuit Court of Appeals for the Sixth Circuit on said date of Dec. 19th, 1916.

F. W. SCHAEFER.

Subscribed and sworn to before me, a Notary Public in and for Montgomery County, Ohio, this 22nd day of December, 1916, by
F. W. Schaefer.

[SEAL.]

S. W. FROEHLE,

Notary Public, Montgomery County, Ohio.

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Affidavit of Walter D. Marston.

United States District Court for the Southern District of New York.

MECCANO, LIMITED, Plaintiff,

against

JOHN WANAMAKER, NEW YORK, Defendant.

STATE OF NEW YORK,

County of New York, ss:

Walter D. Marston, being duly sworn deposes and says; that he is twenty-one years of age and upwards, and that for the last sixteen years deponent has been connected with the Toy Department of John Wanamaker, New York, in the capacity of Assistant Buyer and Department Head. That at no time during the period that deponent has been head of the department in question, have salesmen or salesladies, to deponent's knowledge, offered to customers American Model Builder parts to supplement Meccano parts or vice versa. Furthermore, it is contrary to the express instructions received by every salesperson in deponent's department, and in fact throughout the store of the defendant, to misrepresent any goods, or, to offer to sell to a customer any one brand, when they have requested

174 some other brand of another manufacture.

WALTER D. MARSTON.

Sworn to before me this 21 day of December, 1916.

EUGENE T. HOLLEY,

Notary Public, Westchester County.

Certificate filed, N. Y. County Clerk's Office.

Register No. 8181.

Commission expires Mar. 30, 1918.

Affidavit of Frank Botthof.

United States District Court for the Southern District of New York.

MECCANO, LIMITED, Plaintiff,

against

JOHN WANAMAKER, NEW YORK, Defendant.

CITY OF NEW YORK,
County of New York, ss:

Frank Botthof, being duly sworn, deposes and says; that he is of the age of twenty-one years and upwards, and has been for the past five years identified with the Toy Department of John Wanamaker, New York, in the capacity of Assistant Buyer; prior to that time, deponent held the position of Head Stockman for a period of seven-teen years.

As Assistant Department Head of the Toy Section of John Wanamaker, New York, deponent has personal charge of the salespeople of his department; that at no time since deponent has been acting in the capacity of Assistant Department Head, or Assistant Buyer, has he ever given instructions, or heard Mr. Marston, Assistant Buyer, or any one else in authority, instruct salespeople to mislead, or attempt to mislead the public, by claiming that the American Model Builder and Meccano, were the same or identical toys. On the contrary, deponent further avers, that all of the salespeople in his department have explicit instructions to the effect, that at no time should the public be offered a different toy from that requested, and the theory that they are one and the same thing.

Deponent further states, that in view of the fact, that the salespeople, in his department at no time were familiar with the cost of the toys to John Wanamaker, New York, which they were selling, it is impossible to conceive that any salesperson could assure a customer, that the reason John Wanamaker, New York, was handling the American Model Builder in a greater volume than Meccano, was due to the fact, that better terms were quoted to John Wanamaker, New York, on the former.

FRANK BOTTHOF.

Sworn to before me this 22 day of December, 1916.

EUGENE HOLLEY,

Notary Public, Westchester County.

Certificate filed in N. Y. Co. Clerk's Office.

Register No. 8181.

Commission expires Mar. 30, 1918.

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Affidavit of Emelie Kahrs.

United States District Court for the Southern District of New York.

MECCANO, LIMITED, Plaintiff,

against

JOHN WANAMAKER, NEW YORK, Defendant.

STATE OF NEW YORK,

County of New York, ss:

Emelie Kahrs, being duly sworn deposes and says; that she is eighteen years of age and that on or about the 24th day of November, 1916, she was employed by John Wanamaker, New York, as a saleslady in its Toy Section; that deponent's sales number is 1579-W.W. That on the day in question, while engaged in her customary duties, she was requested by a fellow saleslady to make out a sales slip for what deponent understood to be two Meccano parts; that accordingly she made out such a sales slip Numbered 11,377-29-W.W. That deponent however did not personally wait on the customer who made this purchase of what she understood to be two Meccano parts, nor did she see them, and that in making out said sales slip deponent does not know of her own personal knowledge whether two Meccano parts were sold, or whether the parts in question were those belonging to an American Model Builder, or one of the other toys of similar parts and design.

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EMELIE KAHRs.

Sworn to before me this 21st day of December, 1916.

EUGENE HOLLEY,

Notary Public, Westchester County.

Certificate filed New York County Clerk's Office.

Register No. 8181.

Commission expires Mar. 30, 1918.

178

Affidavit of Walter D. Marston.

United States District Court for the Southern District of New York.

MECCANO, LIMITED, Plaintiff,

against

JOHN WANAMAKER, NEW YORK, Defendant.

STATE OF NEW YORK,

County of New York, ss:

Walter D. Marston, being duly sworn deposes and says; that he is twenty-one years of age and upwards and that he is head of the de-

ment and buyer of toys in the John Wanamaker, New York, res. That the present value of the stock on hand in the Toy department of John Wanamaker, New York, of the American Model Bldg., is in the sum of Four Hundred and Eight Dollars and Six Cents (\$408.60).

WALTER D. MARSTON.

Sworn to before me this 23rd day of December, 1916.

[SEAL.]

EUGENE T. HOLLEY,
Notary Public, Westchester Co.

Filed N. Y. Co. 158.

Affidavit of Walter D. Marston.

United States District Court for the Southern District of New York.

MECCANO, LIMITED, Plaintiff,

against

JOHN WANAMAKER, NEW YORK, Defendant.

STATE OF NEW YORK,

County of New York, ss:

Walter D. Marston, being duly sworn deposes and says; that he is twenty-one years of age and upwards and that he is head of the department and buyer of toys in the John Wanamaker, New York stores; that he was identified with the said department in the capacity of Assistant Buyer and head in the year 1912

That the Manual issued by the American Mechanical Toy Company, in connection with the American Model Building, in 1912, has to, to deponent's best knowledge and belief, been handled, sold or disposed of by John Wanamaker, New York, in its Toy Section in the said year of 1912.

WALTER D. MARSTON.

Sworn to before me this 23rd day of December, 1916.

[SEAL.]

EUGENE T. HOLLEY,
Notary Public, Westchester Co.

Filed N. Y. Co. 158.

180

Affidavit of John W. Appel, Jr.

United States District Court for the Southern District of New York.

MECCANO, LIMITED, Plaintiff,

against

JOHN WANAMAKER, NEW YORK, Defendant.

STATE OF NEW YORK,

County of New York, ss:

John W. Appel, Jr., being duly sworn, deposes and says: that he is of the age of twenty-one years and upwards; and is a resident of the State of New York. That he at present is, and at all the times hereinafter mentioned, has been identified with the corporation of John Wanamaker, New York, in the capacity of acting merchandise manager.

That deponent, has been advised as to the contents of the bill of complaint brought by the plaintiff against the defendant, John Wanamaker, New York, and that the plaintiff herein seeks an injunction pendente lite, as to the continued sale of the product of the American Mechanical Toy Company, known as the "American Model Builder," by this defendant.

That all the defendant's present supply of the American Builders, has been purchased by the defendant since July 15, 1916, 181 and that should it at this time, be compelled to withdraw from sale its undisposed portion of said supply of American Builders, defendant will sustain severe monetary loss through its inability to supply the demands of the holiday trade, and to accordingly dispose of the balance of its stock.

JOHN W. APPEL, JR.

Sworn to before me this 16th day of December, 1916.

EUGENE T. HOLLEY,

Notary Public, N. Y. Co.

Filed No. 158.

Affidavit of F. A. Wagner.

United States District Court, Southern District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

v.

JOHN WANAMAKER, Defendant.

STATE OF OHIO,

County of Montgomery, ss:

I, F. A. Wagner, being duly sworn, depose and say that I am one of the defendants in the suit of Meccano Limited v. F. A. Wagner and Strobel-Wilken Co. now on appeal to the United States Circuit Court of Appeals for the Sixth Circuit. I am familiar with the issues in this Ohio suit and I have read the moving papers in this New York suit and find the issues in both suits to be substantially the same, except that John Wanamaker of New York, one of our customers, is made defendant in said New York suit.

I find that all of the things set up, statements made and exhibits offered in this New York suit correspond with and are largely taken from evidence and materials in said Ohio suit, save the affidavit of

Mr. Hills and that of Mr. Scott. In fact, much of what Mr.

Mr. Hills says, aside from whether correct or incorrect, is covered by his deposition for plaintiff given in said Ohio suit. But in

this present affidavit he adds matters relating somewhat to this particular customer, Mr. Wanamaker.

All of the matters and things set up in these moving papers other than in these special parts of Mr. Hill's affidavit and in Mr. Scott's affidavit are old incidents and alleged transactions commencing in 1912 and involved in the Ohio suit, and I find have no relation to Mr. Wanamaker. I beg to advise the Court of this condition of the moving papers.

As to Mr. Wanamaker's purchase of the toy outfits of our manufacturer, and the sale of which I understand plaintiff seeks to enjoin in this action, I beg to inform the Court that such outfits were purchased by Mr. Wanamaker, through his purchasing agents, from us since July, 1916, when we gave a supersedeas bond in the sum of fifty thousand dollars (\$50,000.00) in the Ohio case. In that case I was sued as a manufacturer. In this case Mr. Wanamaker is sued as a merchant who is a customer who buys and sells the same goods or toy outfits that are involved in the Ohio suit. When the District Court in Cincinnati enjoined the defendants, and entered a decree in July, 1916, to that effect, we immediately took an appeal, namely, on July 8th, 1916, and on the 12th gave a supersedeas bond to suspend the effect of the decree and the injunction. The case is in that status now and the narrative of the evidence and all other matters pertaining to the transcript have been completed and printed.

184 By virtue of said supersedeas bond the toy outfits of our manufacture known as American Model Builders, which Mr. Wanamaker is now engaged in selling at retail to his Xmas trade were purchased from us. It was under said bond that we sold said outfits to Mr. Wanamaker.

Again, under the terms of sale Mr. Wanamaker has not yet paid for this stock of toy outfits and will not until after they are sold following the holidays. If he is enjoined then not only will he be injured in his trade but said bond accepted and approved by the District Court in Ohio will be practically nullified.

As to the Hills affidavit I advise the Court that many statements are wholly incorrect and those that are correct at all are largely overdrawn and exaggerated. The substance of his affidavit is rebutted by the evidence on behalf of defendants in the Ohio suit.

When the Ohio suit was tried in May, 1915, the patent covering the special pulley and wheel construction employed in defendant's toys had not issued. The application had been filed in March, 1915, but for various causes did not eventuate in an issued patent until December 21st, 1915, No. 1,164,686. I file herewith a copy of said patent marked "Defendant's Exhibit, F. A. Wagner Toy Patent."

I further inform the Court that as defendants in the Ohio suit sold the toy outfits to Mr. Wanamaker by virtue of said supersedeas bond for fifty thousand dollars (\$50,000.00), this present action against Mr. Wanamaker, is hurtful to us as manufacturers, is destructive of our rights under said supersedeas bond and is an attempt to

185 try by this injunction motion the issues which now await determination by the Court of Appeals for the Sixth Circuit, and is also an attempt to injure us as manufacturers by suing Mr. Wanamaker as a customer, besides interfering with his freedom to sell our goods sold to him under the operation of said bond.

F. A. WAGNER.

Sworn to and subscribed before me this 22nd day of December 1916.

[SEAL.]

S. W. FROEHLE,

Notary Public, Montgomery County, Ohio.

Rebuttal Affidavit of Reeve Lewis.

United States District Court, Southern District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

v.

JOHN WANAMAKER, NEW YORK, Defendant.

STATE OF NEW YORK,

County of New York, ss:

Reeve Lewis, being duly sworn, deposes and says:

I am of lawful age, a resident of Washington, D. C., and a member of the law firm of Mauro, Cameron, Lewis & Massie, having offices in Washington, D. C., and New York, N. Y. We have been attorneys for Meccano Limited in the United States in patent and analogous litigation since the latter part of 1912, and I have personally had active charge of such litigation, assisted from time to time by my partners and by others associated with our offices.

Francis A. Wagner (the American Mechanical Toy Co.) and The Strobel & Wilken Co. were notified in October and November, 1912, of their acts of unfair competition and copyright infringement (see P.'s Exhibits 21 and 78, Ohio case). After short unavoidable delays

(see Massie affidavit, P.'s Exhibit 80, Ohio suit—copy hereto attached), suit was instituted in the District Court for the Southern District of New York against said Wagner and The Strobel & Wilken Co. by Bill filed April 17, 1913, charging unfair competition and copyright infringement. A motion for preliminary injunction was made. The jurisdiction of the New York Court over the very important unfair business competition branch of the case was challenged and the New York Court ruled with defendants under date of June 19, 1913 (see attached copy of Massie affidavit, P.'s Exhibit 80, Ohio Case). This involved redrafting papers for suit in Ohio. The Hornby patent No. 1,079,245 issued November 13, 1913. There was some delay in awaiting its issuance to be included in the suit and obtaining evidence of infringement thereof. It covered the very important plates constituting parts of Meccano toy outfits and duplicated in Wagner's toy outfits.

The Bill of Complaint in the Ohio suit was filed December 24, 1913. Papers on preliminary injunction were served and filed and a return order issued fixing the hearing at January 17, 1914. After postponements to the convenience of counsel for both parties, the hearing was had March 7, 1914, before his Honor Judge Hollister. Nothing was heard from said motion until on December 4, 1914,

the Court overruled the same, handing down a memorandum opinion reading as follows:

"So much time having elapsed since the motion for a preliminary injunction was argued, and as there will be an opportunity in January for a hearing of the case upon its merits, and as such further delay for so short a time can work no injury to the com-
 188 plainant, I think it best to overrule the motion for a preliminary injunction, and suggest to counsel for complainant that, upon application, a day certain in January be set for the hearing of the case upon its merits.

(Sgd.)

HOLLISTER, *District Judge.*"

Wagner had already endeavored to reassure his customers with reference to the litigation. One of his advertisements (see P.'s Exhibit 45, October, 1912, issue of "Toys and Novelties") said:

"This article is fully covered by patents and we will positively guarantee that it does not infringe any other claim."

When Mr. Wagner on the witness stand at the trial in Cincinnati, he was closely questioned about this advertisement both by counsel for plaintiff and by the Court (see xQs. 84 et seq., Wagner testimony, Ohio suit record). His explanation was that he made the quoted statement in the advertisement upon the fact that he then had an application before the Patent Office in which certain claims had been allowed, and that he understood that to constitute a patenting justifying the statement in his advertisement, although as a matter of fact the patent on said application did not issue until December 21, 1915, No. 1,164,686.

Further inaccurate and erroneous statements were made in a letter to the trade which said Wagner published in "Playthings" of February, 1915—see hereto attached copy of P.'s Ex. 109 in Ohio case. The statement in this letter that the New York suit

189 was dismissed by Meccano Co. in July, 1913, at their expense, is misleading and inaccurate, but the statement,

"Another suit was entered in the United States District Court at Cincinnati in December, 1913, in which preliminary injunction was asked for. This case was argued in March, 1914, and decision was rendered in our favor December 4, 1914,"

is palpably erroneous and misrepresents the District Court's memorandum opinion of December 4, 1914, hereinbefore quoted. This Wagner letter to the trade was also the subject of questions by counsel and Court (see Wagner cross-examination, xQs. 88 et seq. Record in Ohio case).

The introduction of evidence in the Ohio suit by deposition proceeded with reasonable diligence under time limit fixed by court order. There was some unnecessary delay, however, due to the refusal of defendants' counsel to stipulate under Rule 58, with reference to the Read and Brennan incidents, and on account of

which the District Court in the decree taxed defendants \$470.26 to "reimburse complainant for expense in connection with the Read and Brennan depositions," par. 13, Decree.

This case was tried in open court May 25th-June 2nd, 1915, inclusive. Plaintiff's Main Brief was filed on July 14th within the time fixed by the Court at the conclusion of the trial. Thereupon defendants' counsel obtained an order extending the time for defendants' brief which was later filed. Plaintiff's reply brief was filed August 14th, 1915. The Opinion of the District Court (Judge Hollister) was filed June 12, 1916, a Decree entered July 8th, 1916, and an appeal noted and allowed on the same day. Under
190 date of June 22, 1916, my firm (as attorneys for Meccano Ltd.) addressed warning letters to the toy trade, reading as follows:

"New York, June 22, 1916.

Meccano v. American Model Builder.

"GENTLEMEN: Your attention is invited to the enclosed copy of opinion by Hon. Howard C. Hollister, U. S. District Judge, in the suit of Meccano Limited v. Francis A. Wagner (trading as The American Mechanical Toy Co.) and The Strobel & Wilken Co.

In this Opinion Judge Hollister holds the defendants guilty of unfair business competition, of infringement of the Meccano Copyrights, and infringement of the Meccano Patent, in the manufacture and sale of the American Model Builder and the Manual accompanying the same.

You are advised that it is the intention of our clients to prosecute vigorously any and all other invaders of their rights, including both dealers and manufacturers.

Yours very truly,

MAURO, CAMERON, LEWIS & MASSIE,

Attorneys for Meccano, Limited."

Shortly thereafter, the officials of the Meccano Co. in New York, as well as myself, were informed and believed that defendant Wagner and his representatives were in some manner creating an erroneous impression throughout the trade as to the meaning of the supersedeas bond which was approved and filed in the
191 District Court on July 12, 1916. It seemed to be erroneously understood that said bond was in some way applied to all of Wagner's customers and stood as a protection to them against any claims that Meccano Ltd. may make against them because of their unlawful acts. This was verified by later information which came to us of letters to the trade by Wagner, such as the following, addressed to C. H. Smith Co., Warren, Pa.:

"July 14, 1916.

"C. H. Smith Co., Warren, Pa.

GENTLEMEN: It has come to our notice that misleading reports have been circulated by the Meccano Company and their attorneys with reference to litigation we are having with them.

For your information we wish to advise you that the District Court decided that the Meccano patent was partly valid and partly invalid; that our 1912 Manual infringed their copyrights (a manual which we have not used for several years) and that there has been unfair competition on our part.

The decree in this case was not entered until July 8, and on the same day we took an appeal, carrying the case to a higher court, and filed a surety bond with the court so that all questions will remain the same as before until the Court of Appeals can decide the case definitely and finally.

We have the utmost confidence in our case and for this reason filed the bond with the court, and under this bond our business
192 will go on the same as before, and our customers will receive their goods and be fully protected by us.

Very truly yours,

(Sgd.) THE AMERICAN MECHANICAL TOY CO.
F. A. WAGNER, Pres."

L. R. L.

The apparent effort and intent of this letter, particularly the last paragraph thereof, is to convey the impression that the bond in some way protects Wagner's customers.

In an effort to counteract such misunderstanding, Meccano Ltd. circulated, under date of August 7, 1916, a letter of which the following is a copy:

"August 7, 1916.

Meccano v. American Model Builder.

"DEAR SIR: On June 22nd last you were sent a copy of the Opinion handed down by the United States District Court in the suit of Meccano Limited v. Francis A. Wagner (trading as the American Mechanical Toy Co.) and The Strobel & Wilken Co. We enclose herewith copy of the Decree recently entered in said suit, setting forth our rights in the premises and ordering the issuance of a perpetual injunction directed to Mr. Wagner and The Strobel & Wilken Co., and also ordering said defendants to pay damages and costs and to account for all profits realized by them from the manufacture, use and sale of American Model Builder outfits, separate parts, etc.

193 After the entry of said Decree defendants appealed and, in order to prevent immediate issuance of the injunction, filed a bond for \$50,000.00, conditioned to pay to us all damages and profits and costs that may be finally decreed in our favor and against Mr. Wagner and the Strobel & Wilken Co.

It has come to our notice that the American Mechanical Toy Co. is writing to the trade that 'our customers will receive their goods and be fully protected by us.' We would inform you that, regardless of the amount of recovery made by us from the present defendants, we also have the right to recover (in a properly instituted suit) all profits realized by any and every dealer in American Model Builder; further, that the above-mentioned bond is in no way conditioned to cover profits or damages or costs for which we may secure judgment against any dealer (other than The Strobel & Wilken Co.) in American Model Builder; and, finally, we repeat the notice given under date of June 22, 1916, by Mauro, Cameron, Lewis & Massie, our counsel, that it is our intention to prosecute vigorously any and all invaders of our rights, including both dealers and manufacturers.

Yours very truly,

MECCANO, LIMITED."

Following the appeal on July 8, 1916, and the filing of the supersedeas bond on July 12, 1916, in the Ohio suit, there began a succession of irritating and wholly unnecessary delays in the preparation of the transcript on appeal. Under the rules of the C. C. A., 194 Sixth Circuit, the appeal record was due to be filed in that Court August 7th. On July 8th, at the instance of defendants' counsel, this time was extended to October 5, 1916. Counsel were at that time before the Court. Upon the statement of defendants' counsel that much of the work of narration of the testimony had already been done, it was the understanding that galley proof thereof would be sent complainant's counsel during the summer so that the matter of narration would reach a stage for submission to the Court in September, though not prior thereto. The first batch of galley proof was served upon complainant's solicitor in Cincinnati on September 22nd. On September 26th we telegraphed defendant's counsel, Mr. Toulmin, in part as follows: "We object to delay in supplying complete narrative of all testimony."

On September 28th, 1916, upon ex parte application, defendants' counsel obtained from the Court an order for a second extension of time for filing the transcript of record in the Court of Appeals to and including November 6, 1916.

The second batch of galley proof of narration of testimony was not served upon plaintiff's Cincinnati solicitor until October 13, 1916.

Thus, instead of submitting proof of narrative of testimony in the inactive summer months, according to the understanding had before the Court, Wagner's counsel did not get such galley proof to us until the busy fall season.

In the meantime, defendant's counsel, well knowing there was no

record in the C. C. A., Sixth Circuit, filed in that Court a Motion to Reopen, alleging newly-discovered evidence. The motion had to be refiled in the District Court with incidental delay. The motion was heard and denied on November 11, 1916, and on the same trip to Cincinnati we reached an agreement on the narration of testimony.

On November 3, 1916, defendants' counsel obtained a third extension of time for filing transcript to December 10, 1916.

On December 8, 1916, the District Court, over objections by plaintiff's solicitor, extended for the fourth time the period for filing the transcript in the Court of Appeals, although as we are informed by plaintiff's solicitor the Court (Judge Hollister) criticized Mr. Toulmin quite severely for not having acted more speedily and commented that, while this case may have been more voluminous than many, it was not by any means an exceptional patent case. We are now advised that the record was filed in the Circuit Court of Appeals on December 26, 1916.

Defendant Wagner has also taken an ancillary appeal in the Ohio suit from the order overruling his motion to reopen. By noting this appeal near the time limit, the time for filing the transcript of record runs to about January 7, 1916. I am now advised that because of defendant Wagner's failure to include certain von Leistner U. S. patents constituting parts of the alleged new evidence, the time for filing this transcript has been extended two weeks. We anticipate further efforts to delay in the matter of these appeals.

I am satisfied that the transcript on the appeal from the Decree in the Ohio suit could readily have been prepared for filing in September—judging from extended experience in like matters in our offices. Had that been done, I am informed that the case might have been heard on appeal as early as October of 1916. But as the case now stands I am informed that, even if made special, it cannot be heard before April next, if then.

It is my belief, based upon my knowledge of the conduct of Wagner and his counsel, that most of the delay in preparing the Ohio suit for appeal has been avoidable and intentional—the object being to carry the hearing and a decision thereon beyond the active toy retail business prior to Christmas, and to further delay beyond the so-called Toy Shows, one in New York in February and the other in Chicago in March. These Toy Shows are attended by buyers from stores all over the United States, and I understand that orders are placed at these shows for goods desired throughout the year. It is also the object to similarly hold up this and any other suits against Wagner's customers, while the plaintiff is in no manner secured as to the past and future acts of such customers in violation of plaintiff's adjudicated rights.

I visited the store of John Wanamaker, New York, defendant herein, with Mr. Ralph L. Scott on November 24, 1916, as related in his affidavit of December 2, 1916. The salesgirl who waited on us and took the two plates out of the American Model Builder show case

as the same salesgirl who made out the sales-slip—of that I am positive. The statement to the contrary in defendant's affidavit of Melie Kahrs, dated December 21, 1916, is erroneous.

(Signed)

REEVE LEWIS.

Subscribed and sworn to before me this 4th day of January, 1917.

(Signed)

WILLARD H. HARTING,

[SEAL.]

Notary Public, No. 55, Bronx County, N. Y.

Certificate filed in New York County, No. 305.

7

EXHIBIT 80.

Affidavit of C. A. L. Massie for Use in a Suit About to be Brought in the District Court of the United States for the Western Division of the Southern District of Ohio by Meccano, Limited, v. Francis A. Wagner, Trading as the American Mechanical Toy Company, and the Strobel and Wilken Company.

In Equity. No. —.

MECCANO, LIMITED,

v.

FRANCIS A. WAGNER, Trading as The American Mechanical Toy Company, and THE STROBEL & WILKEN COMPANY.

Affidavit of C. A. L. Massie.

STATE OF NEW YORK,

County of New York, ss:

C. A. L. Massie, of lawful age, being duly sworn, deposes and says: I am a member of the firm of Mauro, Cameron, Lewis & Massie, of New York, and am in charge of our New York office.

From an examination of our docket entries, letter-press books and my own private diary, and also from information given by my associates in Washington, I make the following affidavit. On November 12, 1912, I addressed a letter to The Strobel & Wilken Company on behalf of Meccano Limited, advising that the acts of said Company in selling the so-called "American Model Builder" constituted unfair competition with the Meccano system, a copy of said letter being attached hereto and forming part hereof, and being marked Exhibit 21; that thereafter I received from said The Strobel & Wilken Company a letter dated November 13, 1912, stating that said Company were the "selling agents" for The American Mechanical Toy Company, of Dayton,

Ohio; that thereafter I received another letter from The Strobel & Wilken Company, dated December 6, 1912, stating that said company would "continue the sale" of the "American Model Builder," notwithstanding the request on behalf of Meccano Limited that said Company desist from so doing; and that said letters from The Strobel & Wilken Company, dated November 13, 1912, and December 6, 1912, are attached hereto, from part hereof and are marked Exhibits 22 and 23 respectively.

About the 23rd of September, 1912, I received a letter from Mr. Frank Hornby, Liverpool, England, Managing Director of the complainant herein, asking if our firm could represent said Meccano Limited as patent attorneys in this country. On or about October 22, 1912, I received a visit from Mr. Hornby, who at that time disclosed to me the general nature of the Meccano business and of the operations of defendants herein. This was the first time I had ever heard of these matters. After one or two consultations with Mr. Hornby, and an examination of the materials he placed before me, I wrote a letter (similar to Exhibit 21 shortly to be referred to) to the American Mechanical Toy Company, dated October 31, 1912. Under date of November 12, 1912, I wrote a similar letter to Messrs. Strobel & Wilken, 951 Broadway, New York City, which letter has already been introduced as Exhibit 21.

199 Upon receipt of letter dated December 6, 1912, from the Strobel & Wilken Company, in evidence as Complainant's Exhibit 23, advising us that they would continue the sale of the American Model Builder, I desired to proceed at once with the institution of suit, and to bring a motion for preliminary injunction. But in the meantime Mr. R. L. Scott, complainant's solicitor in the New York suit referred to hereafter, and the only lawyer associated with me at the New York office of our firm, was at that time seriously ill, and remained away from the office from the early part of December until about the first of March, during which time he had been in a hospital and was forced to undergo a critical surgical operation. On Mr. Scott's return to this office, he was in such a feeble condition of health that it was several weeks later before he was fit to take up serious work. During Mr. Scott's absence, covering the months of December, January and February, the work of this office had so accumulated, and my time was so fully occupied by matters which had precedence over the Meccano affairs, that I was ultimately compelled to obtain assistance from our Washington office. I had become, personally, very much interested in the situation, was reluctant to forego the pleasure of acting in the New York suit; and was for a time in hopes that Mr. Scott would be able to return to work, and that my own labors would be so lightened by his return that I could resume work in said New York suit.

About the early part of January of the present year, I had an interview with Drury W. Cooper, Esq., of counsel for the defendants in said New York suit, who made inquiry on behalf of said defendants whether or not the controversy could be adjusted ami-

cably, handing me at the same time what purported to be a catalogue put out by a concern in Freeport, Illinois. I reported the substance of this interview and inquiry to complainant in England, by letter dated January 7, 1913, having advised Mr. Cooper that the matter would have to await determination by the agent, who is located in England.

It seemed desirable to have an affidavit from Mr. Hornby himself in said New York suit and, on account of notification of his intention to visit this country at an early date, it seemed best to await his arrival here rather than attempt to draft an affidavit to be sent abroad for revision and execution.

Mr. Hornby called at this office during the ensuing month, February, 1913; and, after consultations with my associates from Washington, executed the Hornby affidavit of March 5, 1913, used in said New York suit.

I have hereinbefore several times made reference to a "New York suit." That was a suit by the same complainant against the same defendants as in the present case, charging unfair business competition and copyright infringement by substantially the same acts as constitute the basis for the present suit. Hence in so far as the charges of unfair business compensation and copyright infringement are concerned, this suit is a continuation of said New York suit. The present suit, however, differs from said New York suit in that it also charges infringement of patent recently issued and assigned to the complainant, the acts of the defendants constituting infringement of said patent being a part of the continued acts of the defendants constituting unfair competition.

In said New York suit the Bill of Complaint, affidavits and other papers relating to motion for preliminary injunction, were filed April 17, 1913, and on the same day the Honorable Judge Julius M. Mayer issued an order upon defendants to show cause why preliminary injunction should not issue in accordance with the prayers of the Bill.

The defendants appeared specially for the purpose of moving to dismiss the bill for lack of jurisdiction.

After the running of time (which had been extended) for filing reply and rebuttal affidavits, the case came on before the Honorable Judge E. Henry Lacombe on May 23, 1913, on the pending motion, and Judge Lacombe announced that before hearing the case on the merits of the motion for preliminary injunction, he would dispose of defendants' motion challenging the jurisdiction of the Court. Defendants' motion was thereupon briefly argued orally and written briefs submitted by both the defendants and complainant (the latter filed May 24th, 1913).

On June 19th, 1913, Judge Lacombe handed down a decision, the substance of which is:

"If complainant will amend its bill, so as to set forth a cause of action solely under the copyright laws, the motion to dismiss will be denied. If complainant elects not so to amend the bill the motion will be granted."

On June 20th, 1913, an order was entered (signed by Judge E. Henry Lacombe) dismissing the bill

"so far as it seeks or purports to seek relief against the alleged 'unfair competition;' but in so far as the bill seeks relief against alleged infringement of copyright, the motion is denied."

On June 28th, 1913, I addressed to Judge Lacombe a letter on behalf of complainant asking a reconsideration of his conclusion that the suit should be restricted to copyright infringement and urging reasons and authorities in support of the request. Under date of July 1st 1913, I received from Judge Lacombe a reply denying the request for a reargument and insisting upon his previously expressed opinion that the Court should not take jurisdiction of the unfair competition branch of the case because the Court had jurisdiction of the copyright infringement, and this notwithstanding the fact—pointed out in my letter—that the copyright infringement was part of the same acts, and inextricably bound up with the acts, which constituted the unfair competition.

The decision by Judge Lacombe left one of three courses open to complainant:

(1) either to appeal to the Court of Appeals from Judge Lacombe's decision;

(2) to proceed in the suit restricted to the question of copyright infringement; or

(3) to institute another suit in the State of Ohio, of which State both defendants were citizens and where no question of jurisdiction on both copyright infringement and unfair competition in one or the same suit would rise.

The question of just what course to pursue was a matter of much consideration and correspondence between our New York and Washington offices and also with the complainant, Meccano Limited, and with the The Embossing Company, its agent in this country. It was estimated that to pursue an appeal to the Court of Appeals from Judge Lacombe's decision would, even if successful, involve a very considerable delay before motion for preliminary injunction could be again urged in the District Court. In fact it was believed that the delay would be even greater than would be incurred in the preparation for and filing of the present suit in Ohio.

As to continuing the New York suit restricted to the question of copyright infringement, that was believed to be undesirable because it would still leave to be disposed of, by a suit in some other jurisdiction, the question of unfair competition.

Therefore the conclusion was reached that in the end probably the most expeditious course would be to institute the present suit in Ohio. And, on July 9th, 1913, complainant's said motion for preliminary injunction was withdrawn.

I am advised by my Washington associates that on July 11th, 1913, there was filed in the Patent Office a power of attorney to my firm (Mauro, Cameron, Lewis & Massie) in the matter of a pending

application of Frank Hornby, filed October 14th, 1912, Serial No. 725,653, for a patent on certain sector shaped and rectangular flanged perforated plates and combinations thereof with other parts appearing in Meccano outfits. Similar and identical plates are also contained in the American Model Builder outfit of the defendants. Under date of July 18, 1913, we received from the Patent Office an action in said application and after a careful and exhaustive study of the case, we came to the conclusion that there was a very favorable prospect of a reasonably prompt issuance of a patent. With the summer vacation season at hand we anticipated delays in getting prompt hearing and action on motion for preliminary injunction in a suit instituted at that time in Ohio. Therefore, with the prospect of an early issuance of a patent on the aforesaid pending application, we advised our clients to defer filing the Ohio suit with the object of also joining therein—along with the charges of copyright infringement and unfair competition—a charge of patent infringement. By promptly responding to the aforesaid Patent Office action of July 18, 1913, in said Hornby application and to a subsequent Patent Office action of October 4th, 1913, we were able to effect an issuance of the patent No. 1,079,245 on November 18th, 1913. As set forth by an assignment (of which profert has been made in the Bill of Complaint), said patent was promptly assigned to complainant. Immediately following the issuance of said patent we diligently pursued active steps to obtain evidence against both defendants showing infringement of the patent since the date of its issuance, and such evidence we have obtained and submitted in other affidavits.

(Sgd.)

C. L. MASSIE.

Subscribed and sworn to before me, this 11th day of December, 1913.

RALPH L. SCOTT,

Notary Public, New York County.

[SEAL.]

PLAINTIFF'S EXHIBIT 109.

Playthings.

The American Mechanical Toy Company,

Manufacturers of

The American Model Builder

Dayton, Ohio, U. S. A.,

February 16, 1915.

To the Trade:

In the past three years much publicity has been given to a lawsuit brought by one of our competitors—the Meccano Company.

In order that the trade may be fully informed as to the status of this case, we wish to say that we were threatened with suit in November, 1912. Suit was brought in the United States District Court of New York in April, 1913, and this suit was dismissed by the Meccano Company in July, 1913, at their expense.

Another suit was entered in United States District Court at Cincinnati in December, 1913, in which preliminary injunction was asked for. This case was argued in March, 1914, and decision was rendered in our favor December 4, 1914.

The American Mechanical Toy Company's line is now being displayed at the Union Square Hotel, New York City, and we will positively guarantee that our product does not in any way infringe the patents of the Meccano Company.

THE AMERICAN MECHANICAL TOY CO.,
Per F. A. WAGNER, *Gen. Mgr.*

(Here follow specifications and drawings marked pages 206 to 254, inclusive.)

H. FAIRBANKS.
Toy-Blocks.

No. 135,417.

Patented Feb. 4, 1873.

Fig. 1.

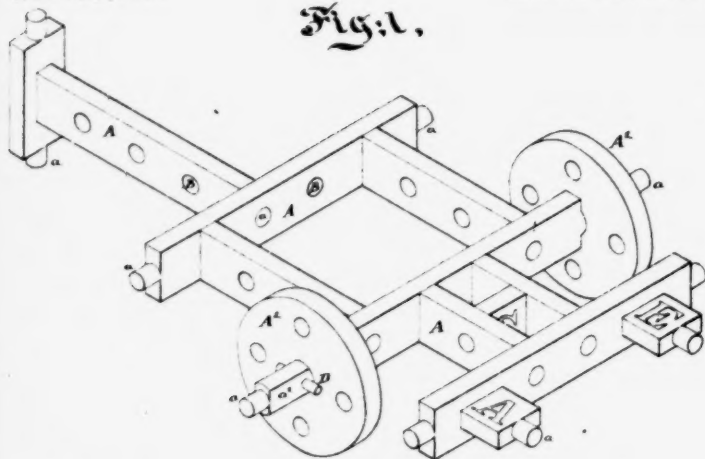


Fig. 2.

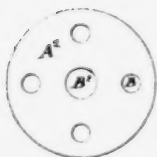


Fig. 3.

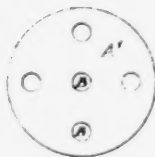


Fig. 4.

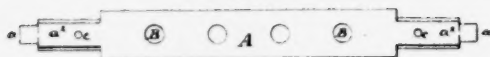


Fig. 5.

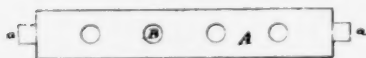


Fig. 6.

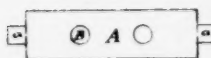


Fig. 7.

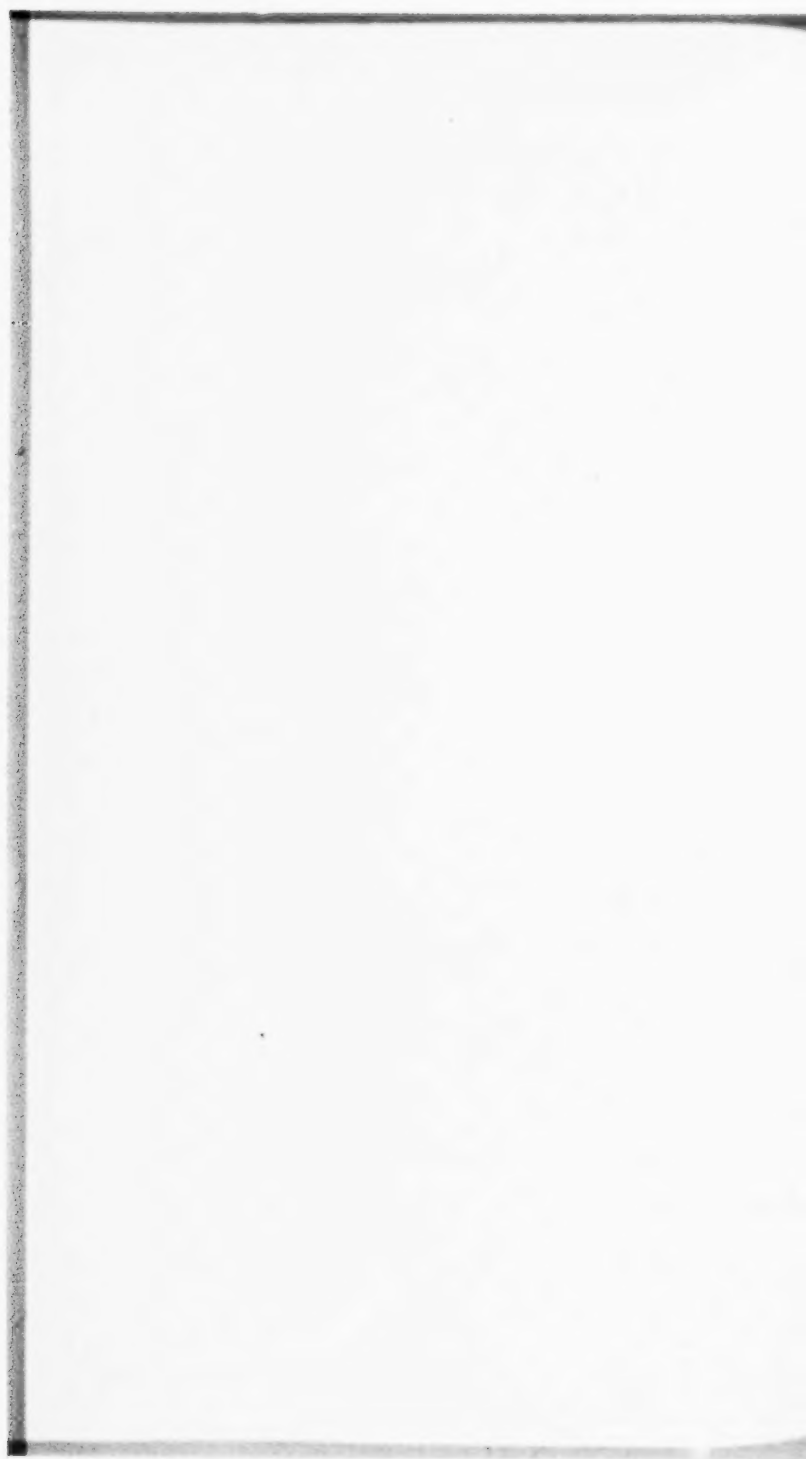


Witnesses;

Arnold Horwath.
W. C. Dey.

Inventor;

Henry Fairbanks
by his attorney
J. D. Stetson
New York



UNITED STATES PATENT OFFICE.

HENRY FAIRBANKS, OF ST. JOHNSBURY, VERMONT.

IMPROVEMENT IN TOY BLOCKS.

Specification forming part of Letters Patent No. 135,417, dated February 4, 1873.

To all whom it may concern:

Be it known that I, HENRY FAIRBANKS, of St. Johnsbury, Caledonia county, Vermont, have invented certain Improvements relating to Toy Blocks, of which the following is a specification:

My invention gives capacity for varying the positions of the parts relatively to each other indefinitely, by changing their angular relations, and contributes in a high degree to the development of intellect and of constructive skill while amusing the child.

I provide the blocks with cylindrical projections and corresponding holes fitting each other with tolerable tightness. By thrusting the projections or tenons into the holes or sockets the blocks may be connected together in a great variety of positions. Use or change will cause some to fit tighter than others, and, the blocks being distinguished by colors and letters, as usual, this fact tends to further increase the varied capacities of a set of blocks. I provide some blocks in a round form adapted to serve as rollers or wheels.

The following is a description of what I consider the best means of carrying out the invention.

The accompanying drawing forms a part of this specification.

Figure 1 is an isometrical view, showing a number of the blocks joined in one of the number of ways in which it is possible to arrange them. The circular blocks, having large holes in their centers, are applied and pinned in place on other blocks in the set so as to form wheels. The succeeding views are face views of certain blocks detached. Figs. 2 and 3 are circular blocks with circular holes. Fig. 4 is a long block with a cylindrical tenon at each end adapted to match tightly in any of the small or ordinary round holes in any of the other blocks, and to hold tightly therein, allowing adjustment at an indefinite number of angles; this block has similar holes. Fig. 5 is a shorter straight block. Fig. 6 is a still shorter; and Fig. 7 is so short that its body is square. All have round tenons except the circular blocks. The block shown in Fig. 4 has in addition partially-rounded portions adapted to fit loosely in the large holes in some of the circular blocks, and has holes adapted

to receive small pins or nails to hold the blocks and allow them to turn.

Similar letters of reference indicate corresponding parts in all the figures.

A A, &c., are the blocks, and *a a* cylindrical projections or tenons formed thereon. B B are holes adapted to receive the tenons *a*, and hold the same by friction. A¹ A¹ are blocks in cylindrical form with the hole B in the center. A block, A¹, fitted on each end of a long or short block, A, gives the whole a capacity for rolling. A² is a block with a larger hole, B², in the center, adapted to easily receive a corresponding large cylindrical or partially cylindrical tenon, *a*², formed on some of the blocks. A hole, *c*, in the proper position in the part *a*² is adapted to receive small pins D, and these secure the blocks A² to serve as wheels. The blocks A¹ and A² have also other holes, B, serving the ordinary function. They may receive the tenons of the small blocks indefinitely.

I propose to make the blocks of sound and well-seasoned wood, thoroughly saturated by boiling in linseed-oil, or otherwise suitably preparing, so as to avoid shrinking and swelling.

It is important that the holes B or tenons *a* be evenly spaced on the straight blocks so that when short blocks are interposed between a pair of long ones they will match accurately. The holes in the wheels or rollers A¹ A² should also be carefully spaced, so that they will match accurately in any position.

I claim as a new article of blocks—

1. The within-described toy composed of rectangular blocks A, each having circular mortises B and corresponding circular tenons *a* adapted to match together in varied relations, substantially as herein specified.

2. In combination with toy blocks A having round tenons *a*, the round blocks A¹ A² having central holes, and adapted to serve therewith, as herein specified.

In testimony whereof I have hereunto set my hand this 7th day of December, 1872, in the presence of two subscribing witnesses.

HENRY FAIRBANKS.

Witnesses:

T. FAIRBANKS,
R. B. PAGE.



H. M. QUACKENBUSH
TOY BUILDING-BLOCKS.

No. 195,689.

Patented Sept. 25, 1877.

Fig. 1.

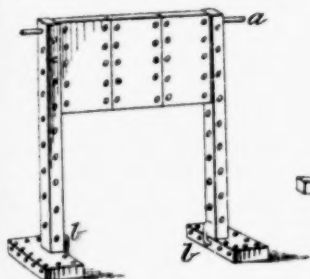


Fig. 2.

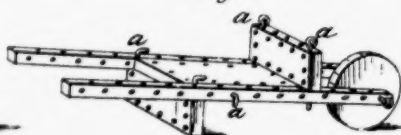


Fig. 3.

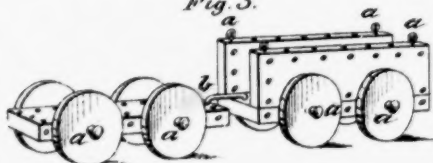


Fig. 4.

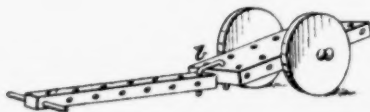
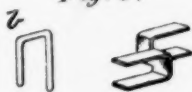


Fig. 5.



Attest:
as3bauldswell.
Philip T. Larner

Inventor
H. M. Quackenbush
by Chas. H. Forbes
Attorney



UNITED STATES PATENT OFFICE.

HENRY M. QUACKENBUSH, OF HERKIMER, NEW YORK.

IMPROVEMENT IN TOY BUILDING-BLOCKS.

Specification forming part of Letters Patent No. 195,689, dated September 25, 1877; application filed March 30, 1877.

To all whom it may concern:

Be it known that I, HENRY M. QUACKENBUSH, of Herkimer, county of Herkimer, and State of New York, have invented a certain new and useful Improvement in Toy Building-Blocks; and I do hereby declare that the following specification, taken in connection with the drawings furnished and forming a part of the same, is a full, clear, and exact description thereof.

In the drawings, Figures 1, 2, 3, and 4 represent various objects constructed in accordance with my invention; and Fig. 5 represents detachable links or clamps for connecting the sections.

My invention consists in constructing an indefinite number of blocks of various sizes and shapes, and providing the same with a series of perforations, arranged widthwise and edgewise, to receive interchangeable pins or links for connecting the several parts rigidly or pivotally, as desired, whereby said blocks may be assembled in a great variety of forms, to represent various structures.

In the drawings, the perforated blocks are shown coupled together by the interchangeable pins *a* and links *b*, which serve to retain the same in various relative positions, and to form pivots upon which the blocks may vibrate or revolve.

The pins *a* should be constructed of various lengths, and may be provided with a turned, looped, or solid head, as shown, and for some

purposes the head may be dispensed with, as shown in Figs. 1 and 4.

The links or clamps *b* may be formed, as shown in Fig. 5, with legs of the same or different lengths, as desired, this form of connection being employed in instances wherein the end of a section is connected to an adjoining one, as shown in Figs. 1, 3, and 4.

The perforations are regularly and uniformly arranged in the several parts to correspond, and insure a perfect register when the same are assembled.

I am aware that sectional toy building-blocks have been introduced, constructed with perforations, and corresponding tenon-joints, forming an integral part of the block, so that the several parts of the toy may be fitted together, and retained in various relative positions. Therefore, I do not claim such construction; but

What I claim, and desire to secure by Letters Patent, is—

Toy building-blocks composed of various sizes and shapes, and provided with a series of perforations arranged transversely therein, at opposite angles to each other, or widthwise and edgewise, in combination with the interchangeable pins or links, substantially as described.

HENRY M. QUACKENBUSH.

Witnesses:

A. S. BRUSH,
JAS. KERSHAW.



(No Model.)

2 Sheets—Sheet 1

W. W. BARNES.
TOY SUSPENSION BRIDGE.

No. 249,448.

Patented Nov. 15, 1881.

Fig. 1

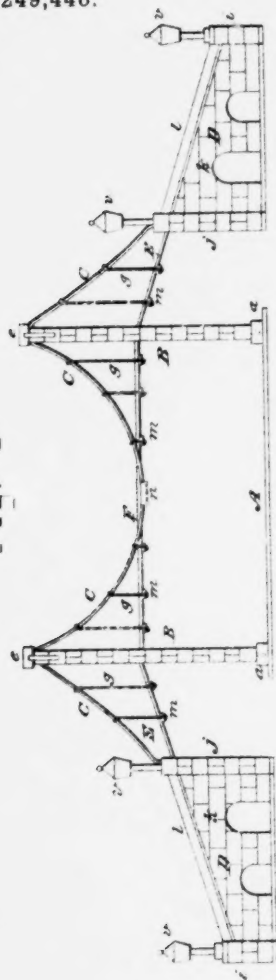
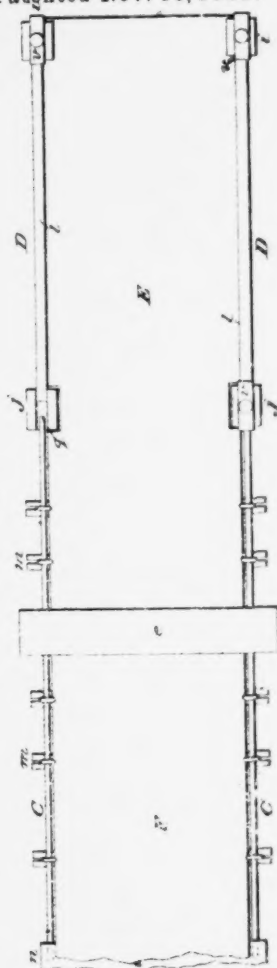


Fig. 2



INVENTOR:

Wesley W. Barnes.

By his Attorneys,

Burke, Truesdell & Co., Attys.

WITNESSES:

E. B. Bolton

Geo. P. Rowland



(No Model.)

2 Sheets—Sheet 2

W. W. BARNES.
TOY SUSPENSION BRIDGE.

No. 249,448.

Patented Nov. 15, 1881

Fig. 3.

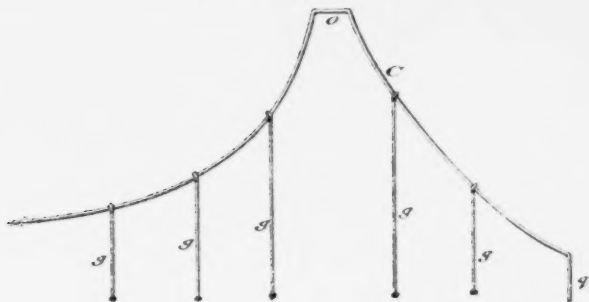


Fig. 4.

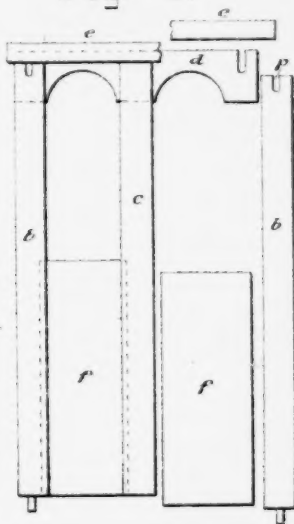
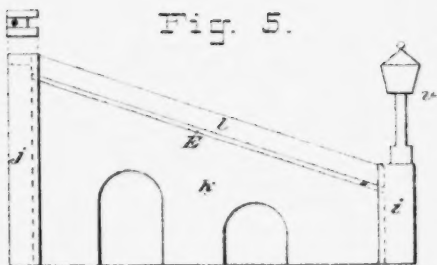


Fig. 5.



WITNESSES:

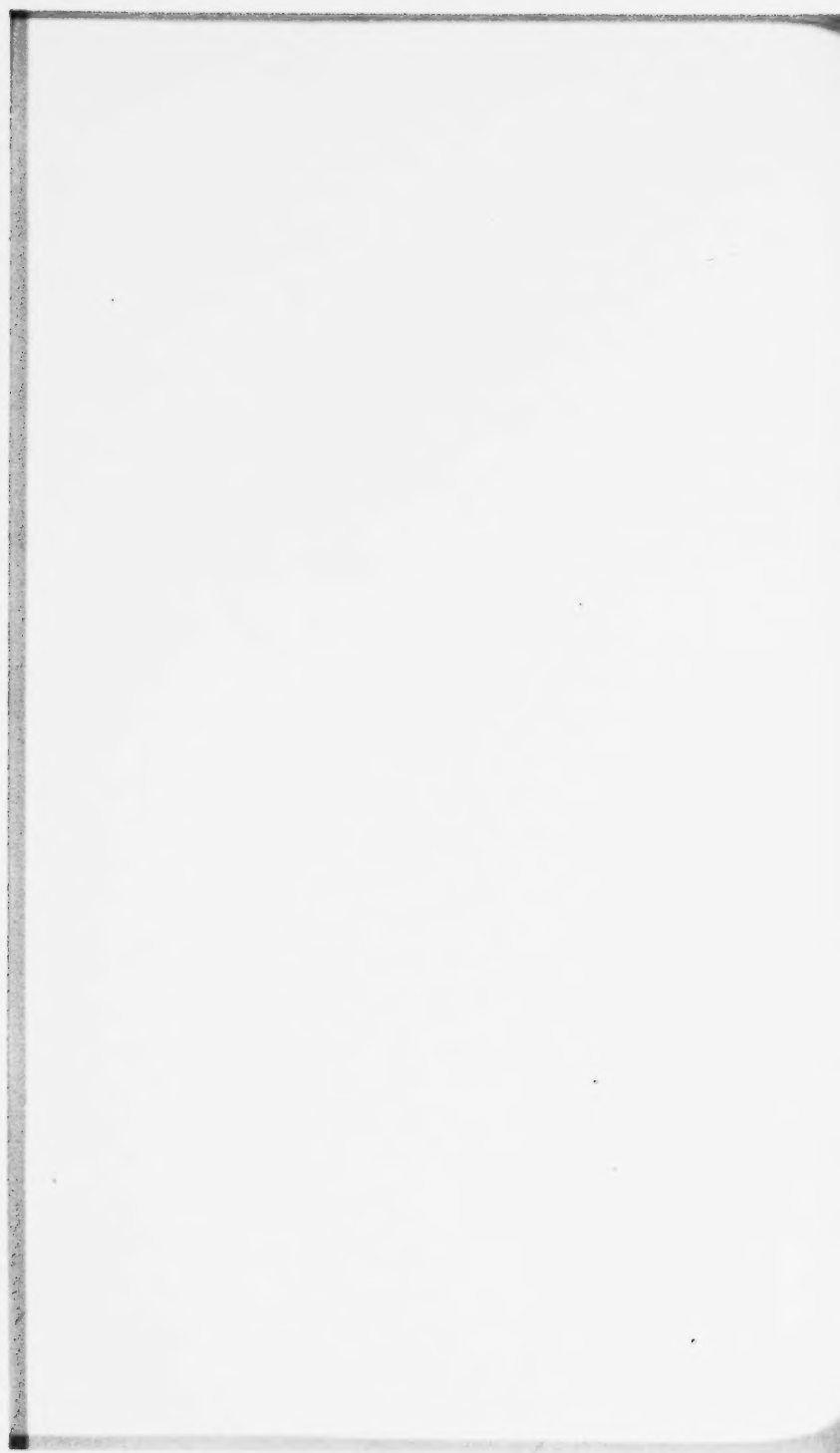
E. B. Bolton
Geo. Townsend

INVENTOR:

Wesley W. Barnes.

By his Attorneys,

Burke, Fraser & Bennett.



UNITED STATES PATENT OFFICE.

WESLEY W. BARNES, OF NEW YORK, N. Y., ASSIGNOR TO STERN & LYON, OF SAME PLACE.

TOY SUSPENSION-BRIDGE.

SPECIFICATION forming part of Letters Patent No. 249,448, dated December 16, 1881.

Application filed July 5, 1881. (75) (marked)

Be it known that I, WESLEY W. BARNES,

citizen of the United States, residing in the city, county, and State of New York, have invented a Toy Suspension-Bridge, of which the following is a specification.

This invention relates to a novel and instructive toy for children in the nature of a miniature suspension-bridge, which is adapted to be readily taken to pieces and set up again by a child, thus affording both amusement and instruction, while it develops the constructive faculties. When taken to pieces the various parts of the bridge may be packed in a box of small size for convenience of storing and shipment.

In the drawings which serve to illustrate my invention, Figure 1 is a side elevation of the bridge as a whole. Fig. 2 is a plan of one-half the bridge, on a scale double that of Fig. 1. Figs. 3, 4, and 5 are detail views, showing the parts or elements of the bridge drawn to the same scale as Fig. 2. These will be more particularly referred to hereinafter.

The entire bridge consists of the following named major elements: four sides to form the approaches, two piers, four half-cables, one floor for the span, and two floors for the approaches. These major elements are formed of or provided with minor elements, which will be referred to hereinafter. As the approaches are alike, the piers alike, and the half-cables alike, it will only be necessary to describe one of each.

To enable the child to set up the bridge readily by providing it with a measured base for the span, I generally provide the sliding cover A of the box in which the bridge is packed with cleats *a a*, arranged at the proper distance apart to form bases for the towers B. In these cleats small sockets are made to receive pins or tenons on the corner-posts of the towers.

Referring to Fig. 4, which shows the several elements of the cover slightly separated, *b b* are the corner-posts, and *c* the central post. These are slitted at their tops to receive the arch-piece *d*. This latter projects above the top of the posts, and its projecting edge fits into a groove in a coping or cap-plate, *e*. Between the posts *b b* and *c*, below the roadway,

are fitted panels *f f*, the edges of which take into grooves in the posts *a* across the tops of the posts *b*, and through the arch-piece *d*, are formed notches, in which the cables rest.

Fig. 3 shows one of the four half-cables, *C*, which is formed of a piece of wire bent approximately to the proper catenary curve and provided with numerous suspension cords or wires, *g*. These may be of different threads.

Fig. 5 shows the element which forms the siding D of an approach. This consists of a short post, *i*, a taller post, *j*, a side wall, *k*, pierced with arches and arranged to take into grooves in the posts *i* and *j*, and a railing strip, *l*, also arranged to take in the grooves in said posts.

E represents the flooring of one of the approaches. This is a thin plate of wood, paste-board, or other suitable material, arranged to rest laterally on the sloping top of the side walls, *k*, and at its upper end on the tower. It is provided at its higher end with several floor-beams, *m m*.

F is the floor of the span, which rests on the towers at its ends and on a tie beam, *n*, at its middle. It is also provided with floor beams *o*, and may be made in two lengths or sections, if desired.

I will now assume that the bridge has been taken to pieces and packed up, and will proceed to describe the manner of setting it up.

The cover A of the box is first removed and turned cleats up on a table or other moderately level surface. The parts which make up the towers are then put together, except the cap pieces or plates *e*, and the towers are set up on the cleats, as shown. The four half-cables *C* are now placed on the towers, the angular parts *o* of the former resting in notches *p p* in the latter. The cap-plates *e e* are next put on to finish the towers, and the cables are joined by inserting their adjacent ends into the tie beam *n* at the middle of the span. The four sidings D, which form the approaches, are now set up by inserting the side walls, *k*, into the posts *i* and *j* and pressing the bent-down ends *g* of the cables into sockets in the taller posts *j*. The floors F of the approaches are now put in place, and the railings *l* inserted in the posts *i j* and pressed down firmly

on the floor. The floor F of the span is now laid, and the suspenders *g* drawn down and attached to the ends of the floor-beams *m* by pushing them into slits in the ends of said beams. No fastenings other than the snug fitting of one part into another are employed, and I contemplate saw-kerfing the parts to form grooves, and making the tenons, panels, &c., to fit tightly into said kerfs in a well-known way.

In addition to the bridge proper, which has been described, I may use extraneous ornaments in the nature of lamps, *r*, made to fit into the elements of the bridge, as shown.

In the tie-beam *n*, I may employ sleeves or other couplings to connect the two halves of the cable at the center; but I prefer the beam, as shown.

I have shown the towers with double arches through them; but I do not wish to limit myself to this. I may construct them with but one arch, or with more than two.

The cover of the box A may or may not be employed. It forms no essential part of my invention.

Having thus described my invention, I claim—

1. A toy suspension-bridge constructed substantially as and for the purposes set forth.

2. A toy suspension bridge constructed of separable parts, held together by friction and capable of being taken to pieces, all the parts

being constructed and arranged substantially as set forth.

3. A toy suspension-bridge comprising the towers B B, the four half-cables C C, the approaches formed of the sidings D and floors E, and the floor F of the main span, all arranged substantially as set forth.

4. The combination, to form a toy suspension bridge, of the towers B B, having notches *pp* to receive the cables, the four half-cables C C, provided with means of connection at the center of the span, and suspenders *g* *g*, the approaches comprising the posts *i* *j*, side walls *k*, rails *l*, and floors E, the floor F of the main span, and the floor-beams *m*, all constructed and arranged substantially as set forth.

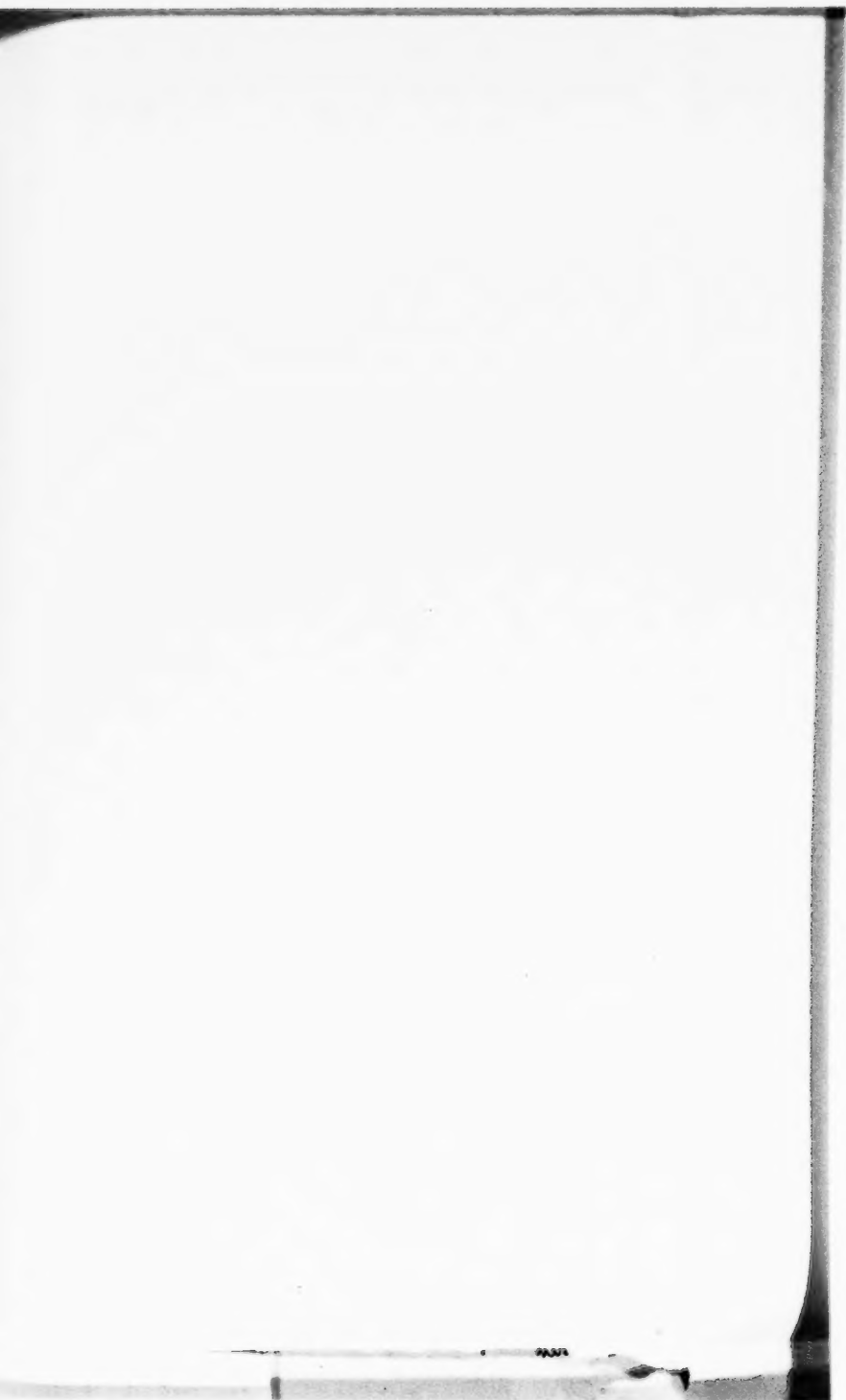
5. The combination of the towers B, comprising the posts *b* *b* *c*, arch-piece *d*, and cap-piece *e*, the four half-cables, the sidings of the approach, comprising the walls *k*, posts *i* *j*, and rails *l*, the floors E and F, provided with floor-beams *m*, secured thereto, the tie beam *n* or its equivalent, and the suspenders *g* *g*, all arranged to fit together substantially as and for the purposes set forth.

In witness whereof I have hereunto signed my name in the presence of two subscribing witnesses.

WESLEY W. BARNES.

Witnesses:

HENRY CONNETT,
GEO. BAINTON.

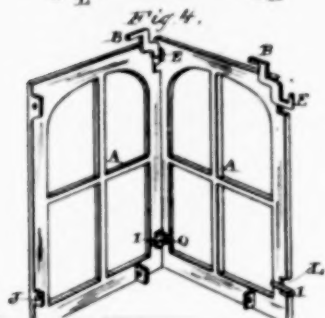
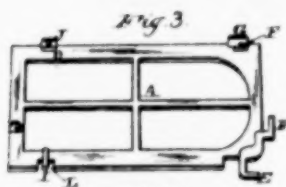
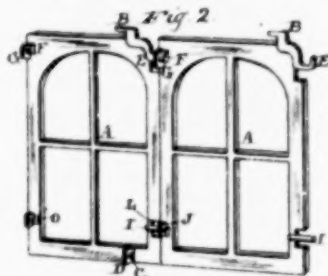
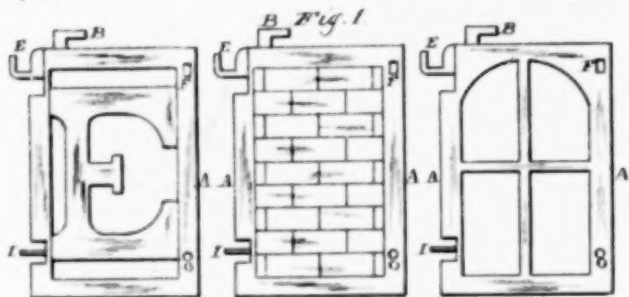


(No Model.)

A. R. WALTERS.
TOY BUILDING BLOCKS.

No. 262,863.

Patented Aug. 15, 18



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UNITED STATES PATENT OFFICE.

ABRAM R. WALTERS, OF ATKINSON, ILLINOIS.

TOY BUILDING-BLOCK.

SPECIFICATION forming part of Letters Patent No. 262,863, dated August 13, 1892.

Application filed June 20, 1892. (No model.)

To all whom it may concern:

Be it known that I, A. R. WALTERS, of Atkinson, in the county of Henry and State of Illinois, have invented certain new and useful Improvements in Building-Blocks; and I do hereby declare the following to be a full, clear, and exact description of the invention, such as will enable others skilled in the art to which it pertains to make and use it, reference being had to the accompanying drawings, which form part of this specification.

My invention relates to an improvement in toy building-blocks; and it consists in making the blocks of flat metal plates which are provided with hooks and eyes, so as to be secured together, as will be more fully described hereinafter.

The object of my invention is to produce a building-block which can have letters of the alphabet, portions of a building, or any other suitable design cast or stamped as a part thereof, or painted upon them, and which are provided with suitable means for securing them together, and which, when taken apart, will occupy but very small space.

Figure 1 represents blocks with different designs marked upon them. Fig. 2 is a perspective of two of the blocks united together, taken from their inner sides. Fig. 3 is a perspective of one of the blocks, taken from its inner side. Fig. 4 is a perspective of two of the blocks united together at right angles to each other.

A represents one of the blocks, which is made of a flat metallic plate, and which may be either cast, stamped, or otherwise formed, or made from any suitable material which will not be easily broken. Upon these blocks will be stamped, painted, or otherwise marked letters of the alphabet, windows, doors, or other parts of a house, or any other designs which may be preferred. Each one of these blocks has formed upon its top edge the hook B, which is intended to catch in the hole C, which is made through the ear D on the bottom of the next adjoining plate. Also formed upon the same corner of the block as the hook B, and

of the next adjoining block when the blocks are connected together at right angles to each other. This corner is cut away, as shown, so that the perforated ears or projections G will fit therein when the blocks are fastened together at an angle to each other. This perforated ear G serves for the hook E to catch in when the blocks are secured together in a line with each other. On the lower corner of the block, on the same side as the hook, is formed a suitable projection, I, which, when the blocks are put together in a line with each other, passes through the ear J, which is formed upon the edge of the next adjoining block. When the blocks are put together at right angles this ear J fits in the recess L, which is made in the edge of the block, and the projection J then passes through the hole O, which is made through the block just back of the ear. Where portions of a house are formed upon each one of the blocks, houses of different forms and designs may be built, with either flat or slanting roofs, and figures of different kinds formed. Where letters of the alphabet are stamped upon them, four of the plates can be secured together, so as to form a hollow square and many other figures.

These blocks being made flat and of some material which is not easily broken, the blocks do not take up so much room, can be used for a large number of purposes which ordinary building-blocks are unfit for, and consequently will afford much more amusement than the ordinary solid blocks will.

Having thus described my invention, I claim—

A toy building-block composed of a flat plate having the two hooks formed upon one of its corners, projections I, and suitable ears and perforations, whereby the plates can be attached together, substantially as shown and described.

In testimony whereof I affix my signature in presence of two witnesses.

ABRAM R. WALTERS.

Witnesses:

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(No Model.)

2 Sheets—Sheet 1.

C. S. BURTON.
CHILD'S BUILDING BLOCKS.

No. 604,708.

Patented May 24, 1898.

Fig. 1

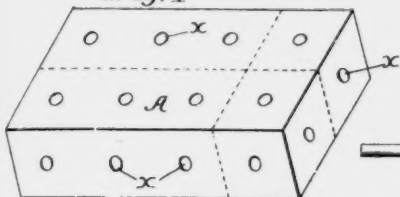


Fig. 2

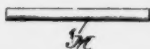
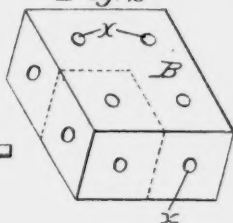


Fig. 4

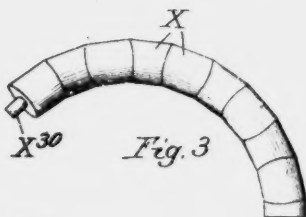
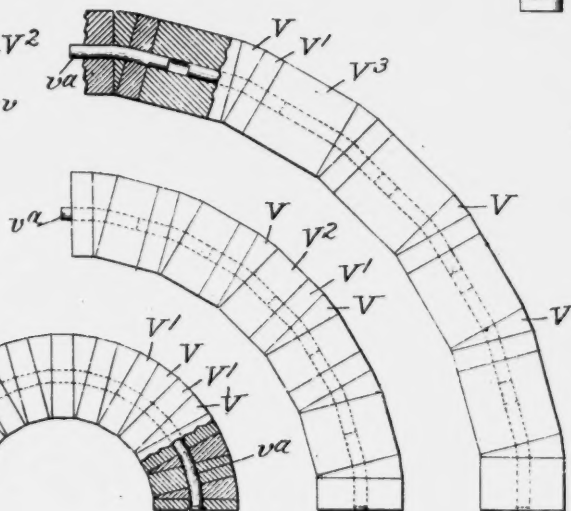
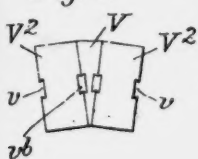


Fig. 6



Witnesses:

E. T. Wray.

Jean Elliott.

Fig. 5.

Inventor.
Charles S. Burton
by *Robert H. Burton*
his agent

12/1/01

(No Model.)

2 Sheets—Sheet 2.

C. S. BURTON.
CHILD'S BUILDING BLOCKS.

No. 604,708.

Patented May 24, 1898.

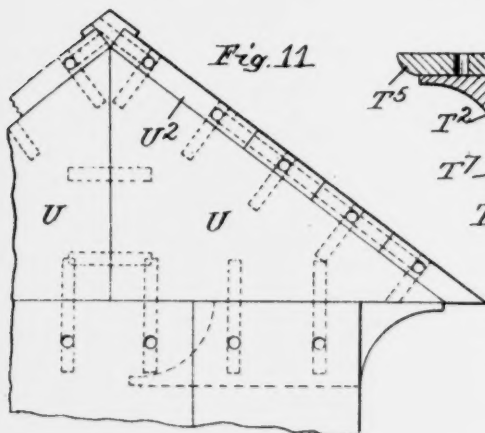


Fig. 11

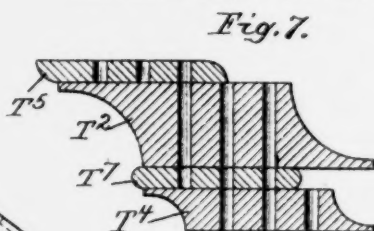


Fig. 7.

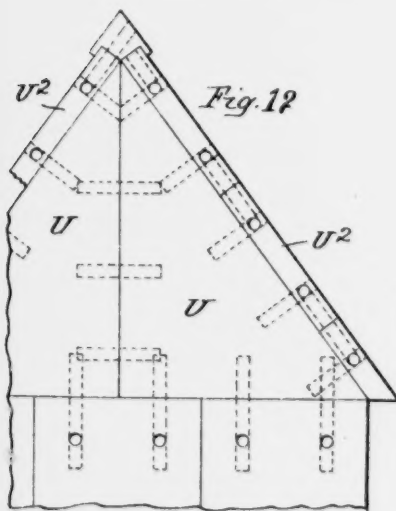


Fig. 12

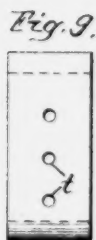


Fig. 9.

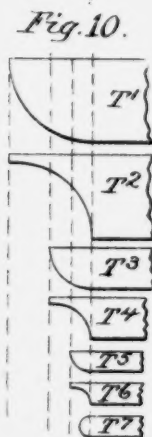


Fig. 10.

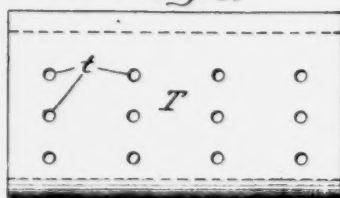
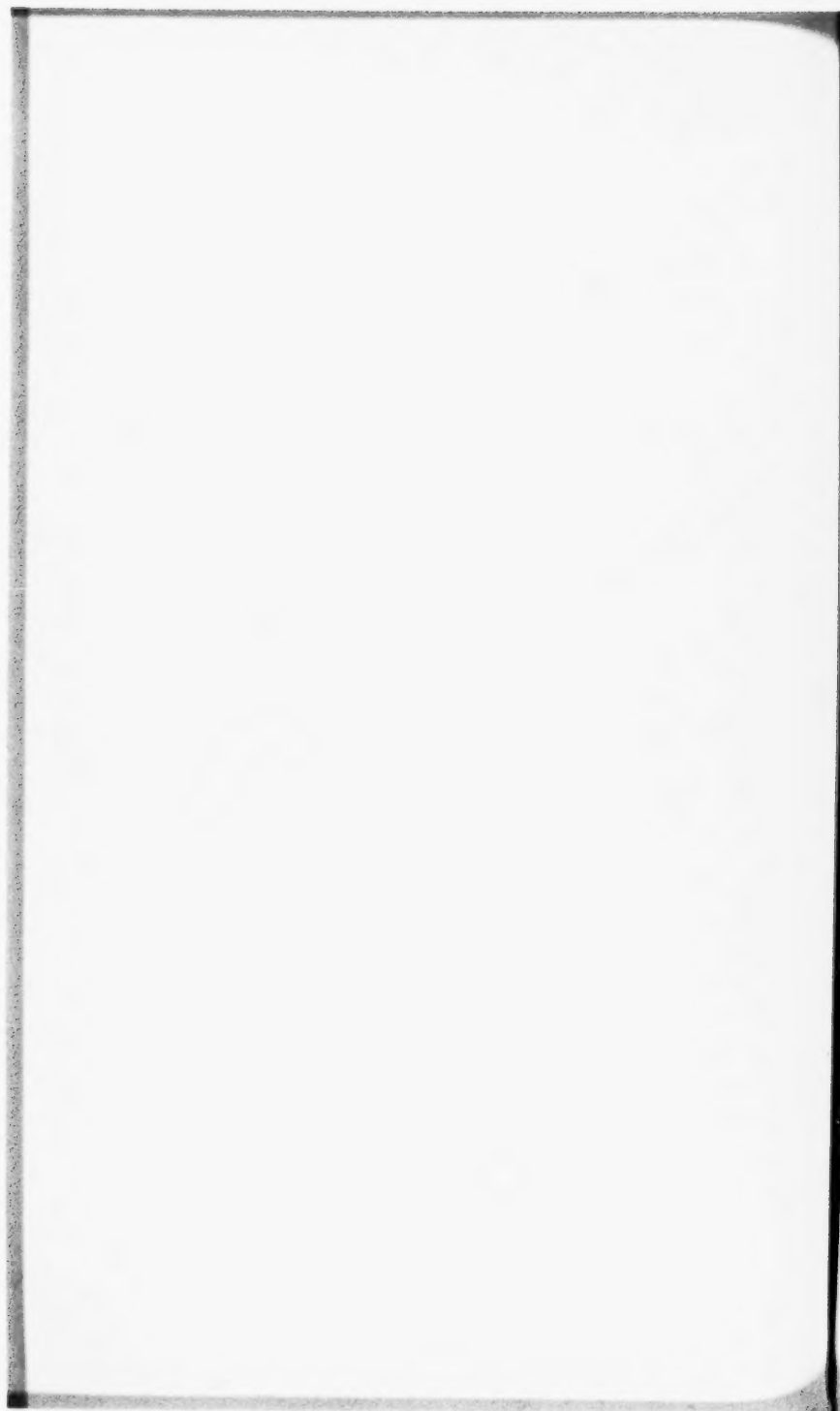


Fig. 8.

Witnesses.
E. F. Wray.
Jean Elliott

Inventor.
Chas. S. Burton
by Raymond Burton
his atty



UNITED STATES PATENT OFFICE.

CHARLES S. BURTON, OF OAK PARK, ILLINOIS.

CHILD'S BUILDING-BLOCKS.

SPECIFICATION forming part of Letters Patent No. 604,708, dated May 24, 1898.

Application filed May 27, 1896. Serial No. 593,245. (No model.)

To all whom it may concern:

Be it known that I, CHARLES S. BURTON, a citizen of the United States, residing at Oak Park, county of Cook, and State of Illinois, have invented certain new and useful Improvements in Children's Building-Blocks, which are fully set forth in the following specification, reference being had to the accompanying drawings, forming a part thereof.

In the drawings, Figure 1 is a perspective of a form of rectangular building-block adapted for use with my invention. Fig. 2 is a similar block of a size which would be formed by dividing the block shown in Fig. 1 transversely at the middle point of its length. Dotted lines on both these figures indicate fractional or divisional elements corresponding to which other blocks of the set are made. Fig. 3 is a front elevation of a partial arch formed of blocks adapted to be adjustable in respect to the spread or radius of the arch. Fig. 4 is a section through three of the blocks shown in Fig. 3, illustrating the variations in adjustment from that which produces a straight shaft to that which produces the most convex arch. Fig. 5 represents a group of arches formed by means of a special form of block which is represented in them all and is adapted by various combinations with rectangular blocks to produce arches of any span or radius. Fig. 6 is a detail elevation showing a modification in respect to means for securing together blocks of the form shown in Fig. 5 in the construction of arches therewith. Fig. 7 is a section of a cornice made up of the several molding elements, showing the manner of assembling and securing such elements. Fig. 8 is a typical plan of the molding elements, the edge pattern being that of the upper element of Fig. 7. Fig. 9 is a plan of the shortest length of the molding element provided for piecing out. Fig. 10 is a group of cornice molding-blocks broken away back of their molded edges, said blocks being of the general type which are combined in Fig. 7, but including other forms. Fig. 11 is a front elevation of the gable end of a building designed to show a form of block adapted for that specific purpose. Fig. 12 is a similar view showing blocks of the same shape arranged to produce a gable for a roof of a different pitch.

For wall building I provide blocks of the customary rectangular forms, each dimension being a multiple of a selected unit of measure, the cube of which I term the "unit" cube, the full-sized block being of the usual proportions of building-bricks—that is, the breadth twice the thickness and the length twice the breadth—and equivalent to eight unit cubes. Such a block (indicated by the letter A) is shown in Fig. 1. Other blocks of this series may be respectively half, quarter, and eighth of the block A, produced by dividing the length, making a square block having the unit of thickness shown in Fig. 2 and indicated by the letter B, or by dividing the width, producing an oblong rectangular block having the unit of width and thickness and the length of the block A, such a block being shown in Fig. 3 and indicated by the letter C, and other blocks being produced by dividing these again transversely to either dimension. The entire series would include simple cubes and any form which might be produced without reentrant angles by assembling such cubes. Such rectangular blocks have the customary forms and proportions in building-blocks, and in specifying them I have not described anything peculiar to my invention. For the purpose of securing such blocks in any relation in which they will most naturally be assembled in building walls, rectangular columns, stairs, &c., I make these blocks with sockets in their several faces adapted to receive keys, preferably in the form of round pins, whereby the contiguous blocks may be detachably joined. The sockets are distributed over the several faces, so that such a socket is found on every face, which is provided with sockets at a distance from each edge equal to half the dimension of the unit cube and at distances apart equal to said dimension. As illustrated, the sockets are in the form of pin-holes located at the center of each square corresponding to the face of the unit cube into which the face of the block can be divided. The rule for the location of the pin-holes may be otherwise expressed thus: that their distance apart is the greatest common divisor of the three dimensions of the block and their distance from the edges is half that greatest common divisor. Thus if the least dimension of the block is seven-eighths

of an inch, which is the customary size, these sockets or pin-holes x will be located in rows seven-sixteenths of an inch from every edge of every face and at intervals of seven-eighths of an inch in such rows. For greater variety of arrangement in assembling such blocks the pin-holes may be made seven-sixteenths of an inch—that is, half the unit of measure—apart in the rows, as well as at that distance from the edges, respectively; but the utility of these additional pin-holes is comparatively slight. These pin-holes may be of a little depth as considered necessary to cause the pins M , intended to be inserted in them to join the blocks together, to obtain sufficient hold.

In practice with blocks of the dimensions above stated I have made the pin-holes three-quarters of an inch deep, which in case of the least dimension makes the holes from opposite faces meet and become one hole, the block being penetrated. There is certain utility in this construction in loading the building together with tie-rods, as hereinafter explained.

For the purpose of cornice-moldings I provide elemental forms $T^1 T^2 T^3 T^4 T^5 T^6 T^7$, &c., adapted to be used individually and separately, but also adapted to be combined to produce any desired edge outline, the principle being similar to that involved in formation of columns from the elemental forms of rotation. In order to adapt these elemental molding-forms to be combined and secured together in all the combinations which may be required in building up cornices and to adapt them also to be secured by the pins to the other building-blocks of the set wherever they may be applied, I make these molding-blocks T with pin-holes h , located, so far as the distance from the ends and distance apart in the length of the molding-blocks is concerned, precisely according to the rule governing the form of the pin-holes in the rectangular blocks—that is to say, at a distance from the end one-half the unit of measure or greatest common divisor of the dimensions of the rectangular blocks and a distance apart equal to that unit of measure or greatest common divisor; but I make the molding-blocks with both lateral edges molded, but with the molding pattern reversed, as seen in Fig. 7, (the reversal of the pattern obviously is of no effect in the case of half-round forms, whether concave or convex,) and, considering the mold as comprising a body portion and an edge portion, the body portion being the rectangular portion which would be left after cutting off by planes at right angles to the face the entire molded portion and the edge portion consisting of that which would be cut off by such plane, I locate the pin-holes at a distance from one edge equal to one-fourth of the unit of measure and at a distance from the other edge equal to one-half such unit. This one-fourth of the unit of measure, for convenience, I term the "unit of measure of molding" or "unit of thickness," because, as will be understood

from inspection of Fig. 7, the simple elemental forms of molding which most conveniently be employed are in three thicknesses—first being the full thickness of the standard rectangular block—that is, having the unit of measure of said block for such thickness—and the second half and the third one-fourth of that thickness. All three thicknesses are shown in Fig. 7 with differently-molded edges. It will be understood upon inspection of these forms that in combining these elements they will retreat or advance from any fixed line in steps corresponding to the thickness and that these steps therefore will be multiples of the quarter-thickness, which may therefore be taken as the unit of measure or adjustment in combinations of the moldings. The width of the body therefore of the moldings is the unit of measure or side of the unit cube of the system plus three-fourths of that unit. In order to make it possible to combine these moldings in every required relation or order, I provide, in addition to the pin-holes located as already described, holes midway between each transverse pair of holes, so that there are in the molding-blocks transverse rows of holes, containing three in each row, the rows being distant from the ends half the unit of measure and from each other once that unit. A little inspection will make it apparent that by using one edge or the other of the molding every possible combination and arrangement of these molding elements can be made and coinciding pin-holes found at which they may be secured.

For the purpose of constructing arches of different spans by means of blocks of the same type by different combinations of such blocks I provide the wedge-shaped block V of small angle, which is an aliquot part of one hundred and eighty degrees, and preferably an aliquot part of ninety degrees, so that a certain number of such blocks, assembled by their oblique faces, constitute a span of one hundred and eighty degrees. I have represented, for example, these blocks V as having an angle of fifteen degrees, so that twelve blocks make one hundred and eighty degrees span. The smallest arch that can be formed with them evidently is made by combining them without other blocks. For a larger span they may be alternated with parallel-sided blocks V' of the least dimension found in the set—as, for example, the unit of thickness of the moldings or one-fourth the unit of measure. So combined the smallest arch shown is produced. For larger arches more of the blocks V or thicker blocks, as V^2 or V^3 , (which is the unit cube,) may be interposed between the wedge-shaped blocks V to any extent, producing thereby an arch of any desired span, since whenever twelve of the wedge-shaped blocks have been introduced one hundred and eighty degrees will have been covered.

I have shown two methods of securing the

blocks in such an arch together, the simplest method involving the use of flexible pins or wire r^1 , which in the case of an arch made entirely of small pieces, as the shortest span is preferably continuous throughout the entire arch, being made of copper or other comparatively soft wire, which has nevertheless sufficient stiffness when bent to hold the arch in form. Another method, and in some respects superior, is shown, the oblique faces of the wedges and the parallel faces of the interposed blocks being provided with transverse furrows v , adapted to receive a wooden key k^2 . Preferably the furrow is dovetailed and the key a double dovetail in form. The parallel-sided blocks $V^1 V^2 V^3$, &c., which are adapted to be used in such arch building, are also adapted for the ordinary combinations with the other rectangular blocks.

I have shown another form of adjustable arch, which, however, is adapted for purely ornamental purposes and not calculated to sustain weight as an arch. This form of arch consists of an assemblage of pieces cut from a cylinder by planes oblique to the axis, making cylindrical segments symmetrical about a plane transverse to the axis. Pin-holes being bored to the center of each block-face at right angles to that block-face it will be seen that a succession of such segments may be assembled so as to form either a perfect cylinder or an arch of any curvature up to the maximum, which will depend upon the angle of divergence of the oblique faces and the length of the segment at the shortest side. These cylindrical segments are indicated by the letter X , the pin-holes in them by the letter x , and the pins by the letter X^2 , since they are the same as will be used in other connections—as, for example, those shown in Fig. 10. In the drawings two of the segments x^1 of the right hand are assembled so as to produce a cylinder, while the one at the left hand is placed in relation to the next one in position to produce the greatest curvature.

In making gables for sloping roofs it has been customary in building-blocks to make right-angled triangular blocks of the form produced by dividing diagonally the standard oblong block of the system, twice as long as its width, and by similarly dividing the square block, which is half that oblong. This gives triangular blocks whose slant side is not commensurate with the other two sides—that is, has no simple divisor common to the other sides. This form therefore cannot be employed where roof-boards are to be applied to such slant sides and secured by pins in sockets which are spaced according to the law which obtains in the remainder of the system. To meet this requirement, I make gable-blocks U in right-angled triangular form, whose sides are respectively three, four, and five times the unit of measure and which may be arranged to support roofs of different pitch, and for Gothic roofs I make right-angled triangular blocks U^1 , whose sides are respectively five,

twelve, and thirteen times the unit of measure. Roof-boards U^2 may be made of half the thickness of the standard wall-blocks and with sockets spaced as in the standard blocks.

I claim—

1. In child's building-blocks, molding-strips of different thicknesses, which are multiples of a selected unit of thickness, having at opposite edges similarly-molded face portions corresponding in extent to the thickness, the body portion intermediate said face portions having pin-holes in three longitudinal rows, one outer row being distant from the lateral boundary of the body once the unit of thickness, the other outer row being distant from the other lateral boundary twice said unit, and the middle row being distant from the outer rows twice said unit of thickness.

2. In child's building-blocks, in combination with blocks whose dimensions are all multiples of a selected unit of measure, and which have pin-holes in their faces distant from each other once said unit and from the edges respectively of the blocks half such unit; molding-strips of different thicknesses which are all multiples of a unit of thickness which is an aliquot part of said unit of measure, said molding-strips having at opposite edges similarly-molded face portions corresponding in extent to the thickness, the body portion intermediate said face portions having pin-holes in three longitudinal rows, one outer row being distant from the lateral boundary of the body once the unit of thickness, the other outer row being distant from the other lateral boundary twice said unit, and the middle row being distant from the outer rows twice said unit of thickness.

3. In child's building-blocks, in combination with rectangular blocks whose dimensions are all multiples of a selected unit of measure, and which have sockets in their several faces distant from their edges respectively half the unit of measure and from each other once such unit; right-angle triangular gable-blocks whose three sides are all multiples of the unit of measure, and whose edges at said three sides are provided with sockets at the middle point of each such unit into which said edges can be divided.

4. In child's building-blocks, in combination with rectangular blocks whose dimensions are all multiples of a unit of measure, and which have sockets in their several faces distant from the edges respectively half the unit of measure and from each other once such unit, right-angle triangular gable-blocks whose sides are respectively three, four and five times the unit of measure and whose edges are provided with sockets at the middle point of each such unit into which said edges can be divided.

5. In building-blocks for arch construction, wedges of small angle which is an aliquot part of one hundred and eighty degrees, in combination with blocks having their two oppo-

site faces parallel, said wedges having their oblique faces and said other blocks having their opposite parallel faces provided with sockets adapted to receive connecting devices, whereby the parallel-face blocks in different numbers or dimensions may be interposed and secured between the wedges to form arches of different span and radius.

6. In building-blocks for arch construction, wedges of small angle which is an aliquot part of ninety degrees, in combination with blocks having their two opposite faces parallel, said wedges having their oblique faces and said other blocks having their opposite parallel faces provided with furrows at corresponding positions, and keys adapted to enter said corresponding furrows to unite the edges to the parallel-faced blocks at their said parallel faces.

7. In building-blocks for arch construction, wedges of small angle which is an aliquot part of ninety degrees, in combination with blocks having their two opposite faces parallel, said wedges having their oblique faces and said other blocks having their opposite parallel faces provided with dovetailed furrows at corresponding positions and double dovetail keys adapted to enter said corresponding furrows

to unite the edges to the parallel-faced blocks at said parallel faces.

8. In child's building-blocks for decorative arch construction, blocks which are cylindrical segments with equal oblique bases, provided with sockets at the center of such oblique bases and entering the block at right angle to such bases respectively, and pins adapted to enter such sockets, whereby the span and radius of an arch formed by a series of such oblique cylindrical segments may be varied at will.

9. In child's building-blocks, keystone blocks for arch building comprising two pieces hinged together at one edge and having each a row of perforations; a staple adapted to have one leg inserted in a pin-hole of each block, whereby the spread of the blocks from their hinge edge may be varied by the selection of the perforations used for the staples substantially as set forth.

In testimony whereof I have hereunto set my hand, in the presence of two witnesses, at Chicago, Illinois, this 23d day of May, 1896.

CHAS. S. BURTON.

Witnesses:

JEAN ELLIOTT,
E. T. WRAY.

No. 707,446.

Patented Aug. 19, 1902.

O. NENTWIG.
BOX OF BUILDING MATERIAL.

(Application filed Sept. 9, 1901.)

(No Model.)

4 Sheets—Sheet 1.

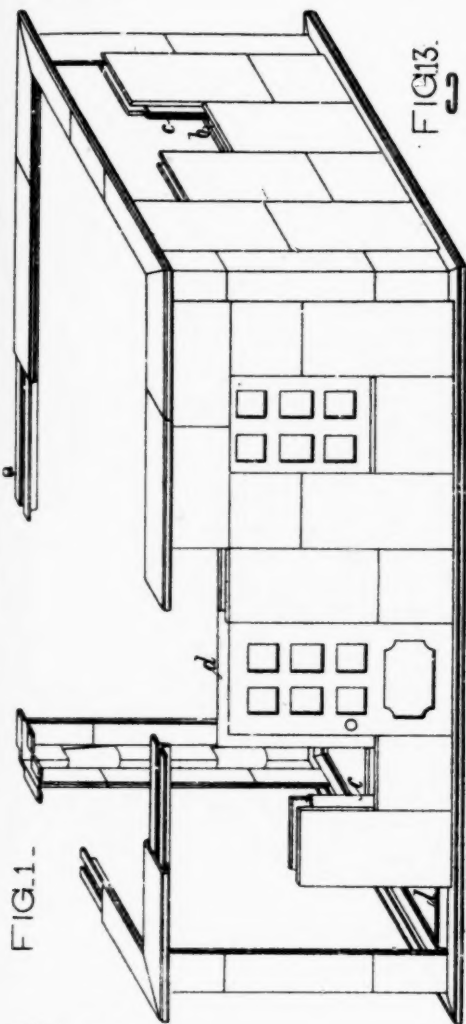


FIG. 13.

FIG. 12.

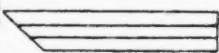


FIG. 5. FIG. 8. FIG. 9.



FIG. 10. FIG. 11.

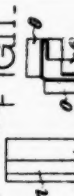


FIG. 15.

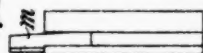


FIG. 6.



FIG. 7.



FIG. 14.

FIG. 2.

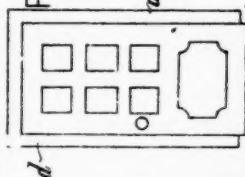


FIG. 3.



FIG. 4.

Witnesses:
H. H. Bornemann.
H. Bornemann.

Inventor:
Otto Nentwig
By Hermann Bornemann
Att'n.



No. 707,446.

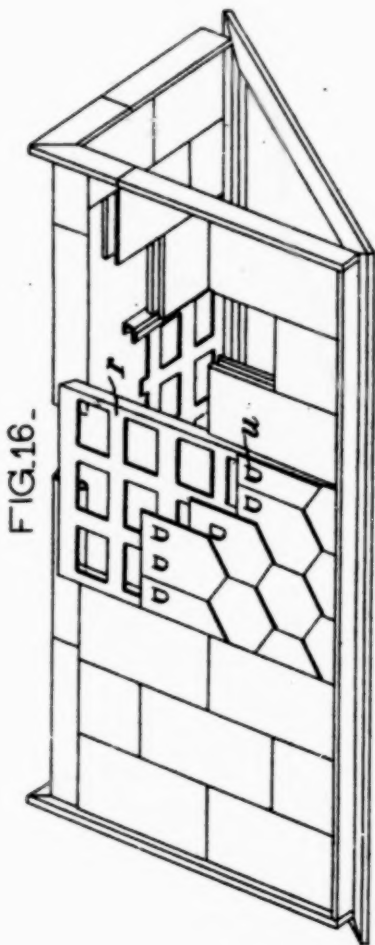
Patented Aug. 19, 1902.

O. NENTWIG.
BOX OF BUILDING MATERIAL.

(Application filed Sept. 9, 1901.)

(No Model.)

4 Sheets—Sheet 2.

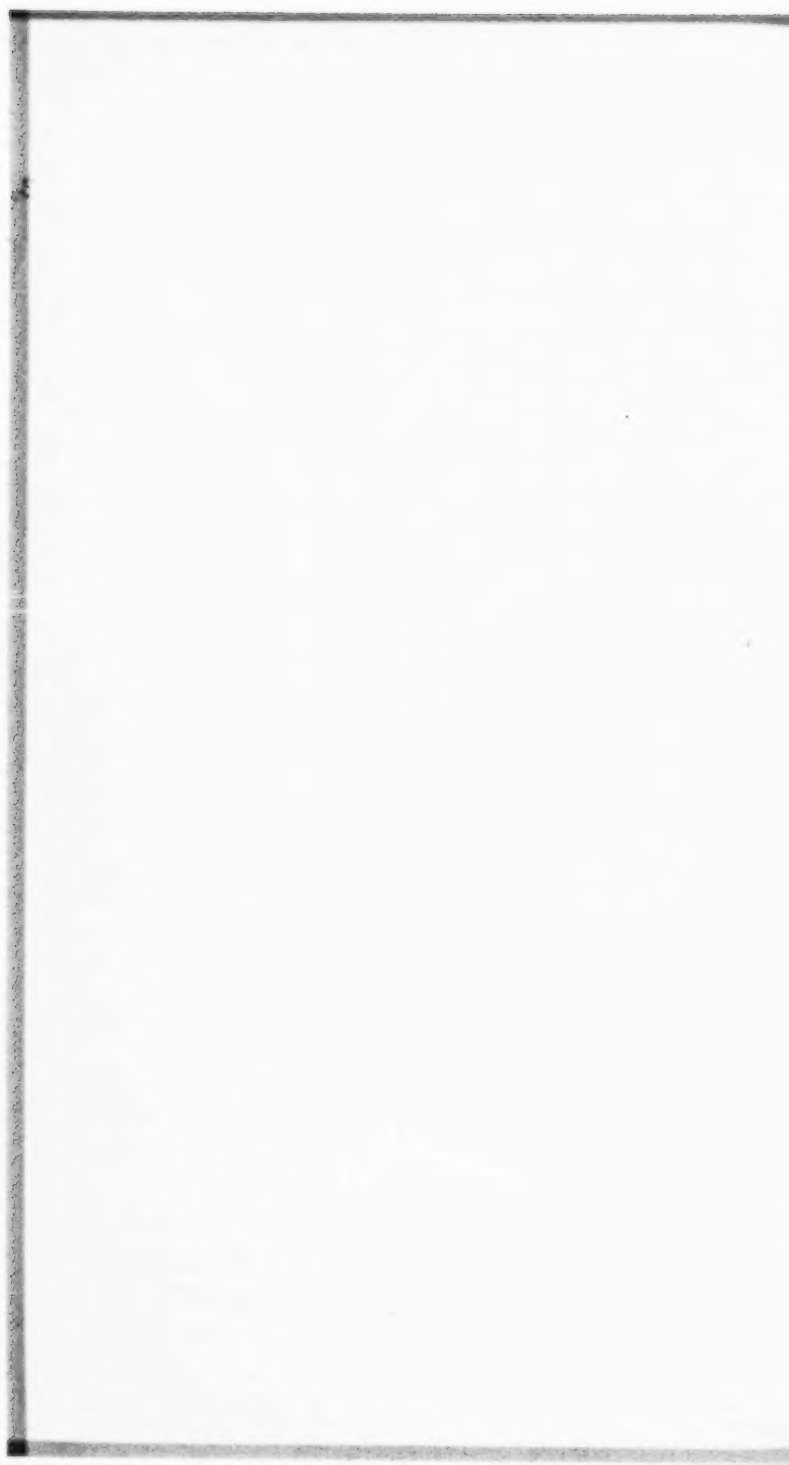


Witnesses:

H. W. Boman
H. Boman

Inventor:

Otto Nentwig
By Hermann Boman
Att'y.



No. 707,446

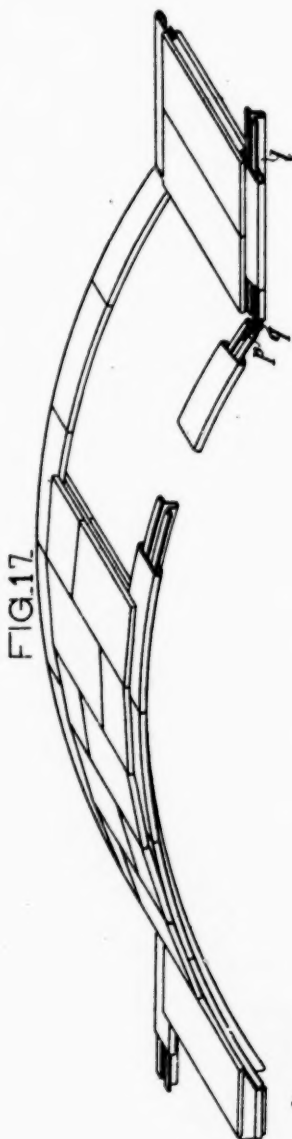
Patented Aug. 19, 1902.

O. NENTWIG.
BOX OF BUILDING MATERIAL.

(Application filed Sept. 5, 1901.)

(No Model.)

4 Sheets—Sheet 3.



Witnesses.

H. W. Bornmann
M. J. Jermann

Inventor:
Otto Nentwig
By Hermann Bornmann
Att'y



O. NENTWIG.
BOX OF BUILDING MATERIAL.

(Application filed Sept. 6, 1901.)

(No Model.)

4 Sheets—Sheet 4.

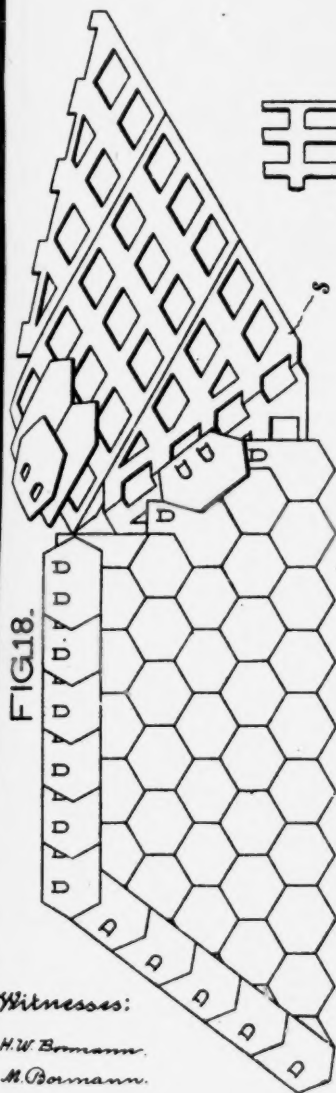


FIG. 18.

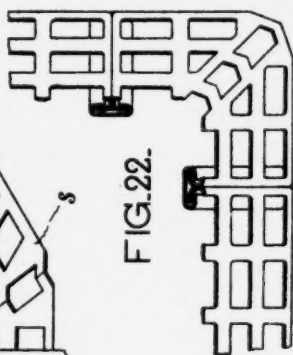


FIG. 22.

FIG. 20.

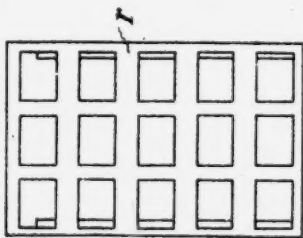


FIG. 19.

FIG. 23. FIG. 24. FIG. 25. FIG. 26.



FIG. 21.

Witnesses:
H. W. Bormann.
M. Bormann.

Inventor:
Otto Nentwig
By Hermann Bormann
Att'y.

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UNITED STATES PATENT OFFICE.

OTTO NENTWIG, OF NEUSTADT, GERMANY.

BOX OF BUILDING MATERIAL.

SPECIFICATION forming part of Letters Patent No. 707,446, dated August 19, 1902.

Application filed September 5, 1901. Serial No. 74,447. (No model.)

all whom it may concern:

Be it known that I, OTTO NENTWIG, a subject of the Emperor of Germany, residing at Neumarkt, in the Province of Silesia, Germany, have invented new and useful Improvements in Toy Building-Blocks, of which the following is a specification.

My invention relates to toy building-blocks, and more especially to such with which a complete building having floors and roofs, doors, windows, &c., may be formed.

Hitherto building-blocks were made for the enjoyment and instruction of children, and placed such blocks upon each other to form various structures or figures. The disadvantage with such blocks, even when used in connection with bars in toy structures or figures, is that the latter are liable to fall apart, and making it impossible to move the toy building after being put together.

The object of my invention is to provide blocks which are interlocking, so that when the toy building is put together it may be removed from place to place without danger of its falling apart. In connection with the blocks use is made of T, I, or C bars, which serve to connect such structures properly and to form trusses, girders, &c., and, further, suitable provisions are made on the said bars to hold my improved blocks in their relative positions.

My invention will be more fully understood taken in connection with the accompanying drawings, forming part hereof, and in which—
Figure 1 illustrates a part of a toy building composed of my improved building blocks and bars and having imitation doors and windows. Fig. 2 shows a door to be used in connection with the said blocks. Fig. 3 is a vertical section through the said door. Fig. 4 is a horizontal section through the same. Fig. 5 is an elevation of one of my improved building-blocks. Fig. 6 is a horizontal section through the same. Fig. 7 is a vertical section through the same. Fig. 8 is an elevation of a corner-block. Fig. 9 is a top view of the corner-block shown in Fig. 8. Fig. 10 shows the footing of a corner-block. Fig. 11 is a plan thereof. Fig. 12 is an elevation of a building block or bar adapted to clamp or hold other blocks together. Fig. 13 is an end

view thereof. Fig. 14 is an elevation of a T-shaped bar. Fig. 15 is an end view thereof. Fig. 16 illustrates the construction of a gable-roof. Fig. 17 shows the construction of an arched roof. Fig. 18 shows a hip-roof. Fig. 19 illustrates a block especially adapted for the construction of a roof. Fig. 20 is a longitudinal section thereof. Fig. 21 is a transverse section thereof. Fig. 22 shows a block adapted to form the hip and rafter of the roof. Fig. 23 illustrates in elevation a roof-covering block. Fig. 24 is a side view thereof. Fig. 25 illustrates another form of roof-covering block. Fig. 26 is a side elevation thereof.

Referring now to the drawings for a further description of my invention, and especially to Fig. 1, it will be seen that the improved blocks for toy buildings are of different shapes to form corners, panels, doors, and windows, &c., and may be of any desired material, such as wood or stone, or they may be made of sheet metal pressed into the desired shape, as shown, for instance, in Figs. 5 and 7. These blocks *a* are generally plate-like, and two or more of their edges are provided with grooves *b* and tongues *c*. The tongues and grooves are not arranged on the same edges of all the blocks, many blocks having tongues or grooves only on one or two of its edges. The arrangement of these grooves and tongues is optional and should be such that in every case when the blocks are put together to form a wall, floor, roof, or other structure the connections of the several blocks with each other will be interlocking, as shown, for instance, in Fig. 1.

In Figs. 8 to 11 are shown corner-blocks, which are also made of sheet metal, forming tongues *k*, adapted to be engaged by the grooves *b* of the flanges *o* of the building-block. *m* is a splice-plate fitting inside the grooves formed by the tongues *k* for the purpose of holding the corner-blocks vertically in position. The footing *n* of the corner-block is made by bending the lower portions outwardly, as shown at *o* in Fig. 11.

Similarly to the blocks *a* I provide the doors and windows with grooves and tongues. The door shown in Figs. 2, 3, and 4 is made of two sheets of metal *f* and *g*, which have formed thereon panels, &c. These two sheets

are held together on three edges by lap-joints forming tongues *d*, and the lower edges are bent outwardly, as shown at *j*, and a T-shaped strip *e* is inserted between these two sheets and bent around the projections *j* to form lap-joints *h* and *i* to hold the sheets together at the bottom.

To hold the top courses of blocks *a* together, T-shaped strips *l*, Figs. 14 and 15, fitting the grooves *b* of the blocks *a*, are provided and applied as shown in Fig. 1, the joints of the blocks *a* being broken with the joints of the strips *l*, and to provide a flat and wide surface on top of the walls so formed and to further stiffen the top course of blocks *a* and strips *l* channeled bars, as shown in Figs. 12 and 13, are slid over the strips *l*, and the joints of these strips *l* are broken with the joints of the channeled bars. These channeled bars or clamping-strips are also adapted to fit over the tongues *c* of the blocks *a* should they be turned as to present the said tongue uppermost. In such case, however, the T-shaped strips *l* are dispensed with.

On top of the clamping-strips just described and holding the upper courses of blocks in position may be placed the roof, which may be a gable-roof, as shown in Fig. 16, in which the ridge is formed of corner-blocks, as shown in Figs. 8 and 9, and supported by rafters consisting of special strips or blocks. The roof-covering may consist of blocks *a*, as shown on either side of Fig. 16, or of special roof-covering plates *r*, as shown in the center of Fig. 16 and detailed in Figs. 19 to 21. These roof-covering plates *r* are made of any material, but preferably of perforated sheet metal with bent edges *t*. The perforations in these plates *r* are so designed that shingles *u*, provided with hooks, as shown in Figs. 23 to 26, may be applied to the plates *r*.

In Fig. 17 is shown the assembling of building-blocks to form an arched roof, and this may be accomplished by the use of T-bars, as shown in Figs. 14 and 15, and the clamping-strips, as shown in Figs. 12 and 13. The

covering in this case consists of the blocks as shown in Figs. 5, 6, and 7.

The plates *r* (shown in Figs. 16 and 19 to 21) may also be used in connection with plates *s*, as shown in Figs. 18 and 20, to form a hip-roof, and the several plates *r* and *s* are held together by clamping-strips (shown in Figs. 12 and 13) and engaging the bent edges *t* of the plates *r* and *s*.

Having thus described the nature and objects of my invention, what I claim as new and desire to secure by Letters Patent, is—

1. Toy building-blocks representing wall surfaces, doors, windows, and roof-coverings having tongues and grooves on their respective edges, in combination with T-shaped strips, whose stem or tongue portion is adapted to fit the grooves of the said blocks and hold them in line, substantially as and for the purposes set forth.

2. Toy building-blocks representing wall surfaces, doors, windows, and roof-coverings having tongues and grooves, in combination with T-shaped strips, whose stem or tongue portion is adapted to fit the grooves of the said blocks and hold them in line, of channeled bars adapted to slide over the flange portion of the T-shaped strip and rigidly tie the same together, substantially as and for the purposes set forth.

3. Toy building-blocks representing wall surfaces, doors, windows, and roof-coverings having tongues and grooves, in combination with corner-blocks provided with hollow tongues adapted to fit the grooves of the said building-blocks and hold them in line vertically, and splice-plates fitting the said hollow tongues of the corner-blocks, substantially as and for the purposes set forth.

In testimony whereof I have signed my name to this specification in the presence of two subscribing witnesses.

OTTO NENTWIG.

Witnesses:

HERMANN BARTSCH,
ALBERT SCHENK.



No. 731,309.

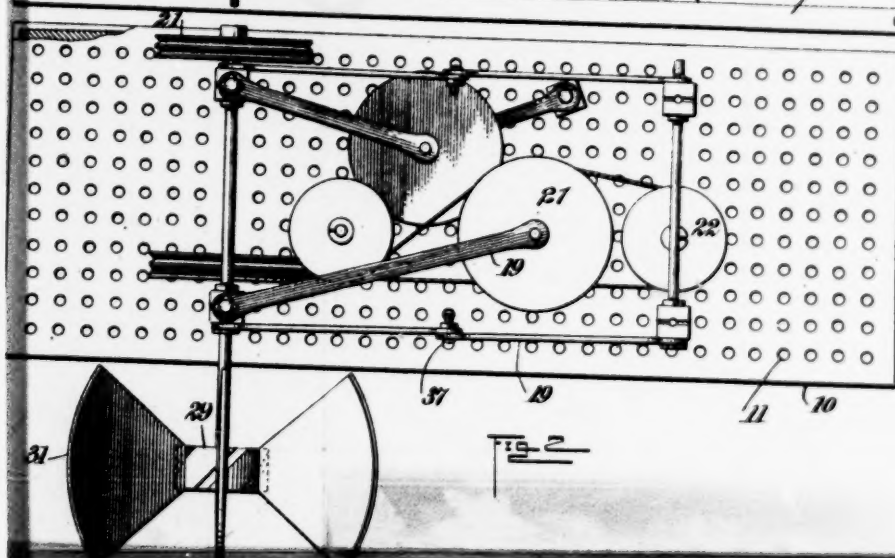
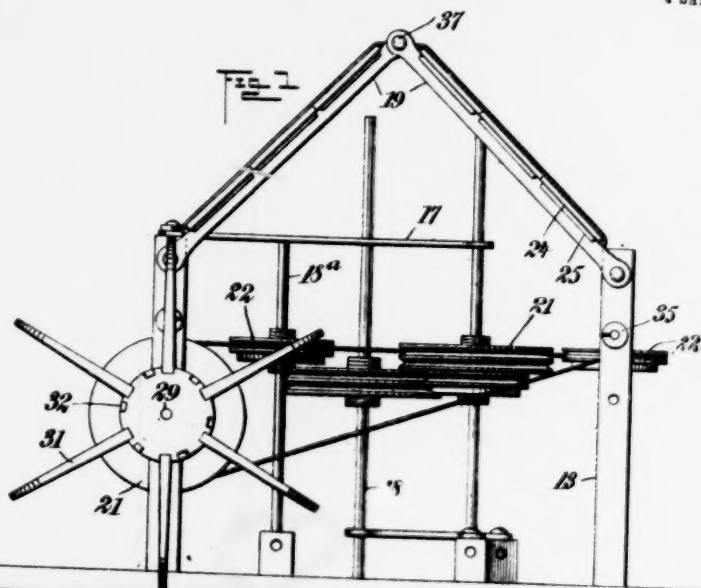
PATENTED JUNE 16, 1903

W. D. KILBOURN.
BUILDING BLOCKS.

APPLICATION FILED SEPT. 26, 1902.

NO MODEL.

4 SHEETS--SHEET 1.



No. 731,309.

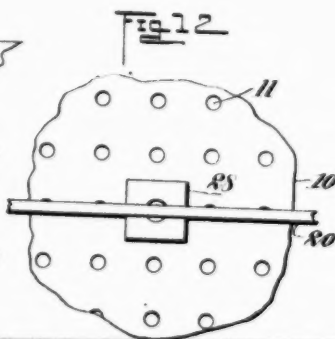
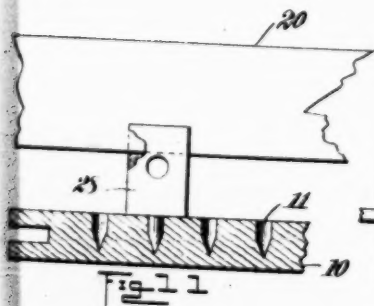
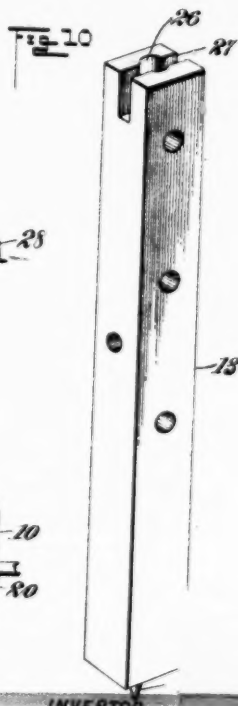
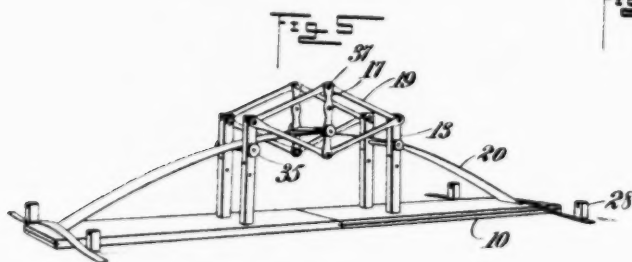
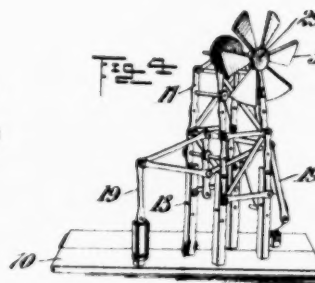
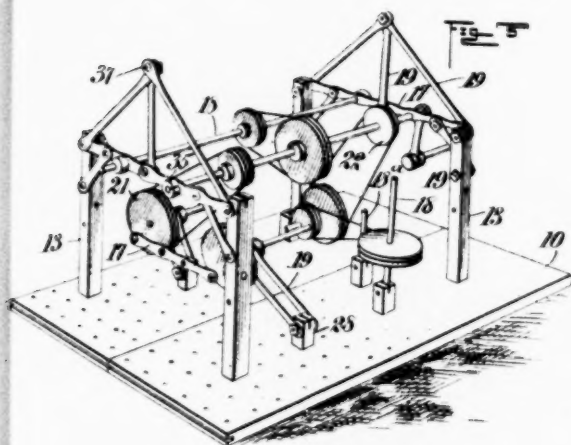
PATENTED JUNE 16, 1903

W. D. KILBOURN.
BUILDING BLOCKS.

APPLICATION FILED SEPT. 25, 1902.

NO MODEL.

4 SHEETS—SHEET 2



WITNESSES

INVENTOR

No. 731,309.

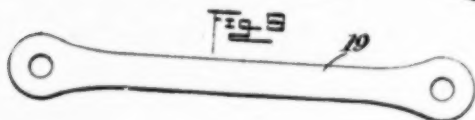
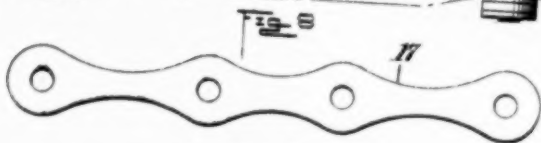
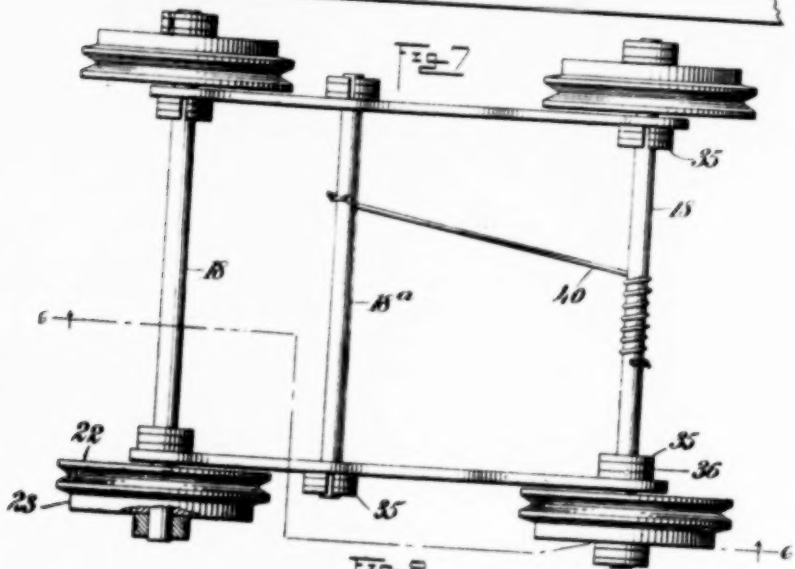
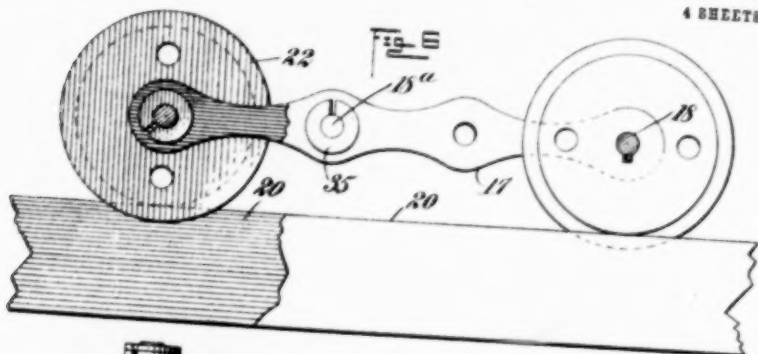
W. D. KILBOURN.
BUILDING BLOCKS.

PATENTED JUNE 16,

NO MODEL

APPLICATION FILED SEPT. 25, 1902.

4 SHEETS-SH.



WITNESSES:

INVENTOR

003.

T 3.

No. 731,309.

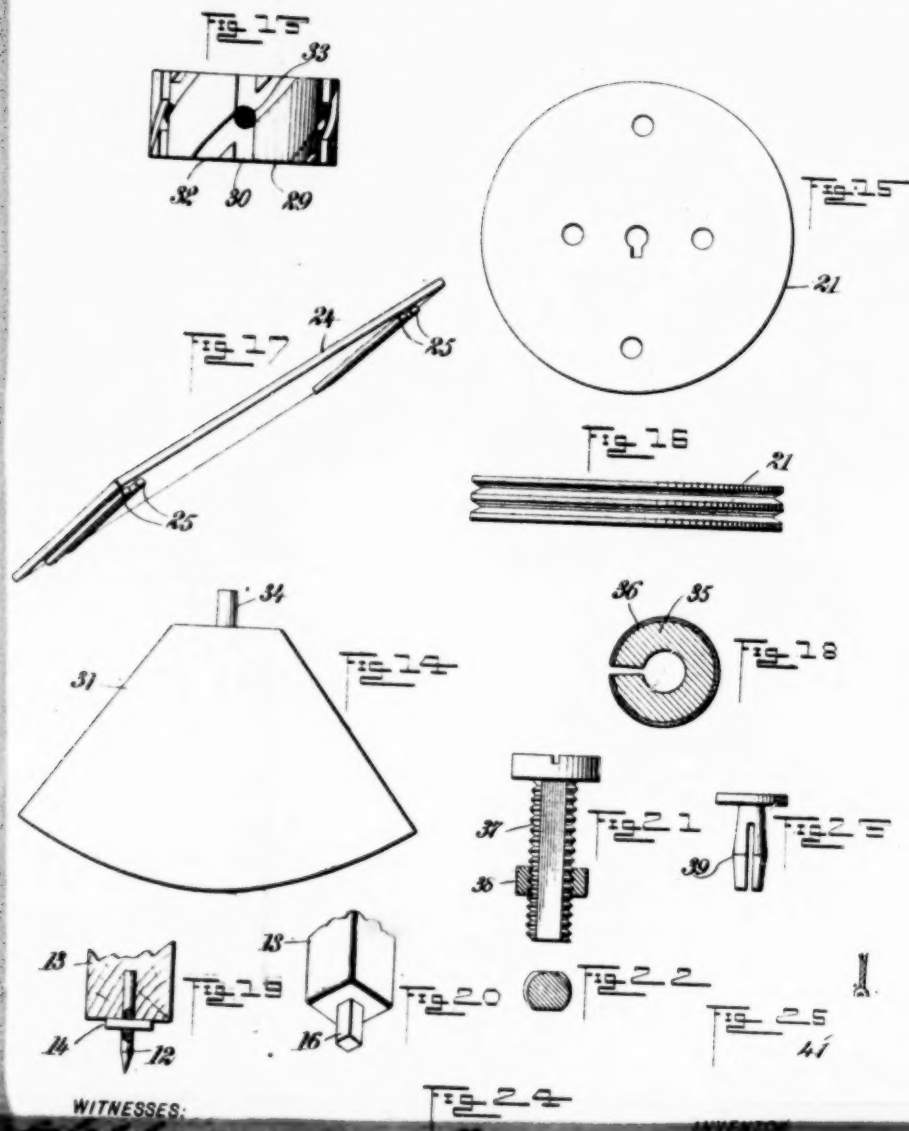
PATENTED JUNE 16, 1903.

W. D. KILBOURN.
BUILDING BLOCKS.

APPLICATION FILED SEPT. 25, 1902.

NO MODEL.

4 SHEETS—SHEET 4.



WITNESSES:

N^o 10,040



A.D. 1895

Date of Application, 21st May, 1895—Accepted, 22nd June, 1895

COMPLETE SPECIFICATION.

A Method of Preparing Frame Models of Various Structures.

I, EMIL JENSS of 20 Kloster Strasse, Lübeck, in the Empire of Germany, Locksmith, do hereby declare the nature of this invention and in what manner the same is to be performed, to be particularly described and ascertained in and by the following statement :—

5 The object of this invention is to supply an easy and simple method of making frame-models of buildings or structures of various kinds on a small scale.

It supplies for children and unoccupied persons an extraordinarily instructive and entertaining occupation for leisure moments, as there is no end to the models which may be formed to its means.

10 It consists of simple strips or angle pieces of metal or whale-bone or any suitable material, with holes formed preferably near the end, and connected at right angles or otherwise to each other by means of tiny screws and nuts.

These strips may be straight or curved and of any preferred length or width or thickness, and are fastened together in any conceivable shape or form by means of 15 the screws and nuts aforesaid.

I will now describe the invention with reference to the accompanying drawings in which

Fig. 1 shows some samples of the strips both straight and curved, and of the angle pieces, and

20 Fig. 2 shows a model of a small bridge constructed with the said strips.

I do not confine myself to the precise form of strip shewn, as they may be varied in many ways; and of course models of any imaginable shape may be formed.

Having now particularly described and ascertained my said invention and in what 25 manner the same is to be performed I declare that what I claim is :—

A method of forming small frame models of various structures, by means of prepared strips, and angle pieces of any suitable substance, said strips and angles being pierced by holes of suitable size, to receive small bolts and nuts, or screws and nuts, by which they are connected, as herein described and set forth.

40 Dated this 21st day of May 1895.

S. S. BROMHEAD,
97 Newgate Street, London, E.C.

A.I.
JEN

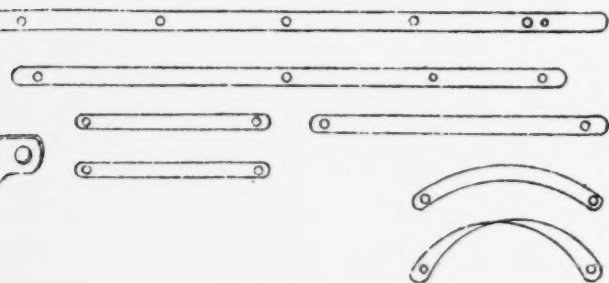


Fig. 1.

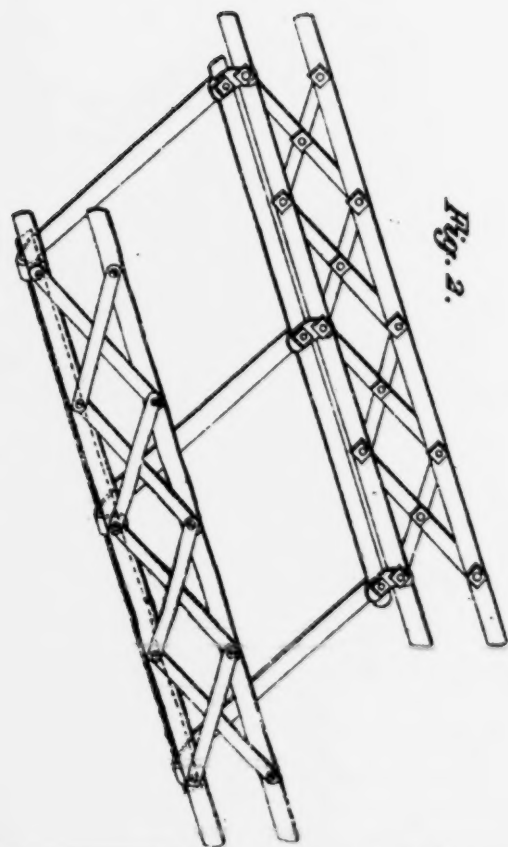


Fig. 2.

[This Drawing is a reproduction of the Original on a reduced scale]





Date of Application, 30th July, 1895—Accepted, 9th Nov., 1895

COMPLETE SPECIFICATION.

Improvements in Building Sets.

We, EDWARD VON LEISTNER, Architect, residing in New York, No. 312 East 14th Street, and HERMANN GOETTER, Ph.D., Gentleman, residing in Arlington, N.J., do hereby declare the nature of this invention and in what manner the same is performed, to be particularly described and ascertained in and by the following statement:—

Our invention relates to building sets for actual constructions as well as for models for technical construction bureaus and schools and the improved set of building members further constitutes an instructive and educational toy. It is the special object of this invention to furnish members of a set which bear to each other certain geometrical and mathematical proportions, so that, practically speaking, an unlimited number of constructions can be made with a very small number of members of our improved set, as is fully described further down and clearly explained by a mathematical diagram.

The invention is illustrated in the accompanying drawings. The elementary members of the improved set are illustrated in Figures 1, 2, 3 and 5, Figures 4 and 6 being modifications of Figures 3 and 5 while the mathematical diagram is shown in Figure 13. The other figures represent supplementary pieces of the set and Figure 14 shows one construction.

Figure 1 represents a strut with perforated ends and one rectangular, bevelled side flange.

Figure 2 shows a longer strut of the same cross section with three perforations.

Figure 3 represents a longitudinal member with two bevelled flanges of different sizes, seven perforations, and converging ends.

Figure 4 shows a modification of Figure 3, the flanges extending on one side each to the end of the perforated centre portion.

Figure 5 is a diagonal rod flattened out at the ends with two perforations in each end.

Figure 6 is a modification of Figure 5 made of sheet metal.

Figure 7 shows a transverse piece E with screw threads at the ends.

Figure 8 is a diagonal binding piece with angular ends.

Figure 9 shows various nuts.

Figure 10 illustrates some screws.

Figure 11 shows an angle key *o* with two screw threads.

Figure 12 is an angle key *p* provided with three screw threads.

Figure 13 is a diagram showing the plain elementary mathematical figures which form the basis for the constructions and

Figure 14 shows one construction as deduced from the diagram.

The members of the set for actual constructions are made of metal or suitable metal compositions preferably of cast or wrought iron. The members of the set for toys and for building models are made of brass sheeting, or of thin iron or steel sheeting or of any other suitable metal alloy which is light since it is desirable to have such toys and models for construction bureaus and high schools, as light as possible. Aluminium iron for instance is preferably used because it is relatively strong and light.

The strut *a* Figure 1 may be of any suitable size. From its length are deduced the sizes of the members shown in Figures 2, 3, 4, 5 and 6 by the diagram as will be fully explained further down. This strut is provided with two perforated ends,

the latter are rounded off so that it can be connected under any suitable angle. It has one rectangular flange bevelled at its ends for the purpose of permitting the different screws to go down on the perforated ends.

Figure 2 shows a similar strut *b* longer than *a* but of the same cross section with three perforations. The length of this strut as well as of any other elementary member is clearly defined by the diagram and the location of the third perforation as well as any other perforation in the following figures is also determined by the diagram.

Figure 3 represents a longitudinal piece *c* in form of a channel iron with seven perforations and two bevelled flanges of different sizes. The wider flange *t* serves for carrying floor or ceiling pieces while the narrower flange *u* serves for holding such pieces in position.

Figure 4 is a modification of Figure 3, each flange extends on one side to the end of the perforated centre portion whereby this member gets stronger, it is especially intended for use in actual constructions.

The diagonal rod *d* shown in Figure 5 is flattened out at its ends with two perforations in each end.

Figure 6 is a modification of Figure 5 made of sheet metal in which form it can be manufactured cheaper.

Figure 7 illustrates a transverse piece *e* with screw threads at the ends. For actual construction this piece is preferably made hollow of iron tubes or of the well known Mannesmann pipes.

The diagonal binding piece Figure 8 is provided with two angular flattened ends which are perforated so that it can be fastened sideways under the desired angles.

Figures 9 and 10 illustrate various nuts and screws. The nuts *g* and *h* and the screw *l* are of common construction while the double nuts *i* and *k* are modifications which serve for the purpose of connecting structures sideways. The double screw *m* serves for connecting vertical and horizontal pieces when it is desired to avoid the transversal piece *e*. The double screw *n* serves for connecting parallel structures without the transverse piece *e*.

Figures 11 and 12 represent angle keys for connecting structures under angles.

The diagram shown in Figure 13 has for its basis the strut *a*. The distance from the centres of the perforations in *a* forms the sides of the square, 1, 2, 3 and 4. The diagonal of this square is the exact distance between the centres of the end perforations in *b*. The diagonal *b* forms the sides of the square 2, 4, 5 and 6. The diagonal of this square is the distance of the end perforations of the elementary member *c*. The elementary member *c* is equal in length to two elementary members *a* all taken from the centres of the end perforations. *c* forms the sides for the square 1, 7, 8 and 9. The diagonal of this is equal to two *b*. The oblong 1, 7, 10 and 11 has as long sides *c* and as short sides *b*. The diagonal of this oblong gives the length of the rod *d* between the end perforations *p*¹¹ and *p*¹².

In the described way the lengths of the elementary members *b*, *c* and *d* are determined from the length of the strut *a*. The locations of the inside perforations are also determined from the diagram. The distance *d*² between the perforations *p*¹¹ and *p*¹⁴ is found when an oblong 1, 4, 6 and 7 is formed whose short sides are *a* and whose long sides are *c*. The diagonal of this oblong is the distance *d*², in this way the location of the perforation *p*¹⁴ is determined. The distance *c*² is found by forming three oblongs on the line *c* between 8 and 9. The diagonal of the oblongs 8, 12, 14, 15 and 9, 13, 16, 17 is equal *a*. The diagonal of the oblong 12, 13, 15, 16 is equal *b*. The distance 8, 12, and 9, 13 is called *s* in Figures 2 and 3. The distance *s* is found mathematically from the relations $s^2 : (c - 2s)^2 = a^2 : b^2$. Hereby we find *c*², the side 8, 14 being equal one half of *c*². From *c*² and *c* is found the distance *d*³ which is the diagonal of a trapezium 1, 7, 20, 21 whose parallel sides are *c* and *c*² and whose other sides are equal *a*. The location of perforation *p*¹³ is also hereby found, *d*² - *d*³ is equal to the distance of the perforations *p*¹¹ *p*¹³. The

Von Leistner and Goetler's Improvements in Building Sets.

centre perforation p^{10} in Figure 3 is exactly in the middle between the perforations p^1, p^2 . In the described way the lengths of the elementary members 2, 3 and 5 as well as the location of their inside perforations is deduced from the diagram. The lengths of these members always stand in certain and fixed proportion to the length of the strut a while the length of the strut a may be taken voluntary as circumstances require. Thus this mathematical diagram forms a scientific basis for a system of constructing which is great in its conception and simple in its application and with the described lengths of the members may be formed an almost unlimited number of geometrical forms which by their technical combination build with the elementary members give a vast number of constructions.

The transverse piece e is equal in length to b less the thickness of the material of the ends of d or f . This transverse piece e serves as a connecting medium between the structures formed by the other elementary pieces.

The described elementary members of the set for actual constructions are used with great advantage for building, for instance, bridges of any shape in all places where time does not permit the erection of expensive, permanent structures and in half civilized regions where building materials are hard to obtain. There the great advantage of these improved elementary members of the set is that with the few elementary pieces, various shapes forms and structures can be built. The set is further of special value for tents since the material for such a tent can easily be stored in a wagon or can be carried by mules. Further, tents are erected quickly and platforms can be put up readily within shortest notice. For military purposes the set is invaluable for erecting bridges, tents and the like and is well adapted for building temporary and permanent roofs and all sorts of temporary buildings.

An example of one portion of a structure is illustrated in Figure 14 in which the elementary members and nearly all the supplementary pieces are employed. Figure 14 shows an isometric projection of a part of a roof as used for large spans, for railroad depots, for instance. Two trusses are illustrated composed of the elementary members a, b, c and d ; they are connected by the transverse rods e . A few wooden pieces x are shown which act as a support for the material with which the roof is covered. It is plainly understood from the drawing that the pieces d and d^2 serve for tying while the elementary members a, b, c are for compression. The transverse piece e which connects the trusses is fastened by means of the double nuts i . In order to prevent any oblique declination of the structure the diagonal binding pieces f are provided, they are fastened by means of the screws l .

In a similar way any desired shape or form of a structure is easily obtained with these few elementary members of the set by virtue of their fixed mathematical proportions. The great variety of structures that can be built with this set greatly enhances its value as an educational toy and thereby renders it more amusing and instructive. It is plainly understood that sets for actual constructions and sets for toys simply differ in the size of the elementary members.

Having now particularly described and ascertained the nature of our said invention, and in what manner the same is to be performed we declare that what we claim is:

1. The herein described building set for actual constructions, models and educational toys composed of four perforated elementary members a, b, c and d , which bear to each other mathematically fixed proportions, the strut a being of any suitable size, the strut b being the diagonal of a square formed by a , the longitudinal c being the diagonal of a square formed by b and the rod d being the diagonal of an oblong whose long sides are c and whose short sides are b .

2. The herein described building set for actual constructions, models and educational toys composed of four perforated elementary members a, b, c and d , which bear to each other mathematically fixed proportions, the strut a being of any

Von Leistner and Goetter's Improvements in Building Sets.

suitable size, the strut b being the diagonal of a square formed by a , the longitudinal c being the diagonal of a square formed by b and the rod d being the diagonal of an oblong whose long sides are c and whose short sides are b , supplementary pieces and the necessary screws and nuts for connection.

3. The herein described system of perforated building members for actual constructions, models and educational toys composed of a strut a of suitable size and provided with a rectangular flange bevelled at the ends, a like strut b being the diagonal of a square formed by a , a channel iron c being the diagonal of a square formed by b with two flanges of different sizes and converging ends, a rod d with flattened ends of different length, the locations of the perforations being mathematically determined as specified and supplementary pieces and connecting screws and nuts.

4. In the herein described building set a perforated strut b being the diagonal of a square formed by strut a and having a rectangular flange bevelled at the end, the location of the inner perforation being mathematically defined.

5. In the herein described building set a longitudinal piece in form of a channel iron with two flanges of different sizes, seven perforations and converging ends, the lengths of this longitudinal and its perforations being mathematically determined as described.

6. In the herein described building set a diagonal rod flattened out at its ends forming two flanges of different lengths with two perforations in each end, the length of the rod and the locations of the perforations being mathematically determined as described.

7. In the herein described building set angular keys for connecting trusses under angles same being provided with two or more movable screws, as specified.

Dated this 30th day of July 1895.

BOULT & WADE,
Agents for the Applicants.

Fig. 1.

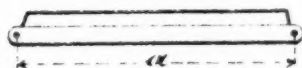


Fig. 2.

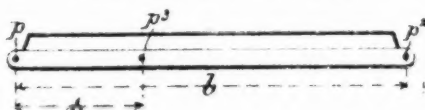


Fig. 3.



Fig. 4.

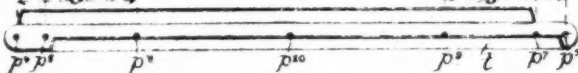


Fig. 5.

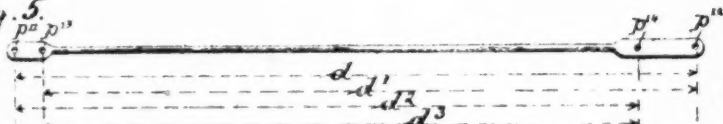


Fig. 6.

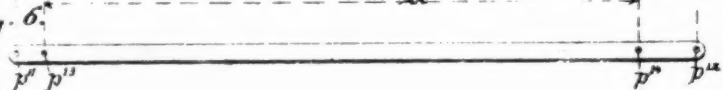


Fig. 7.



Fig. 8.



Fig. 9.



Fig. 10.

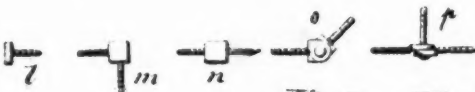
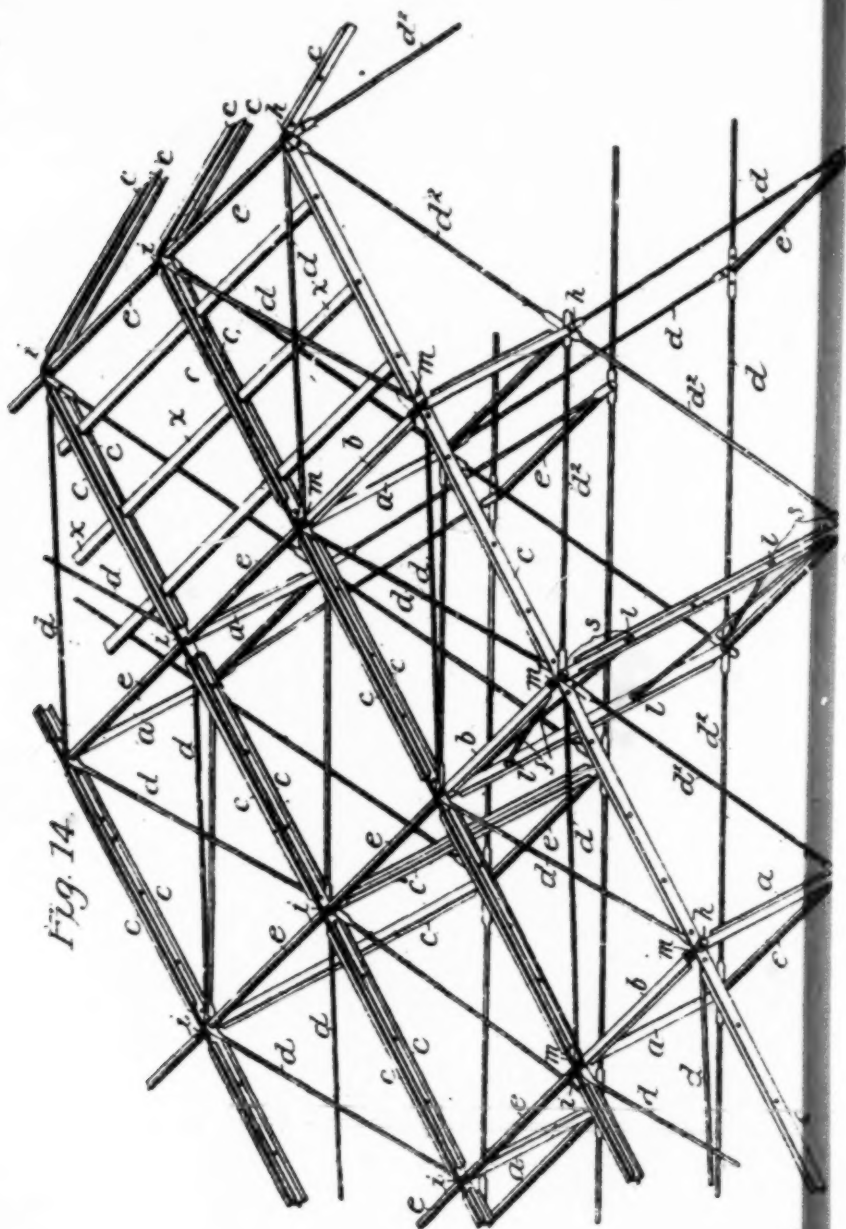


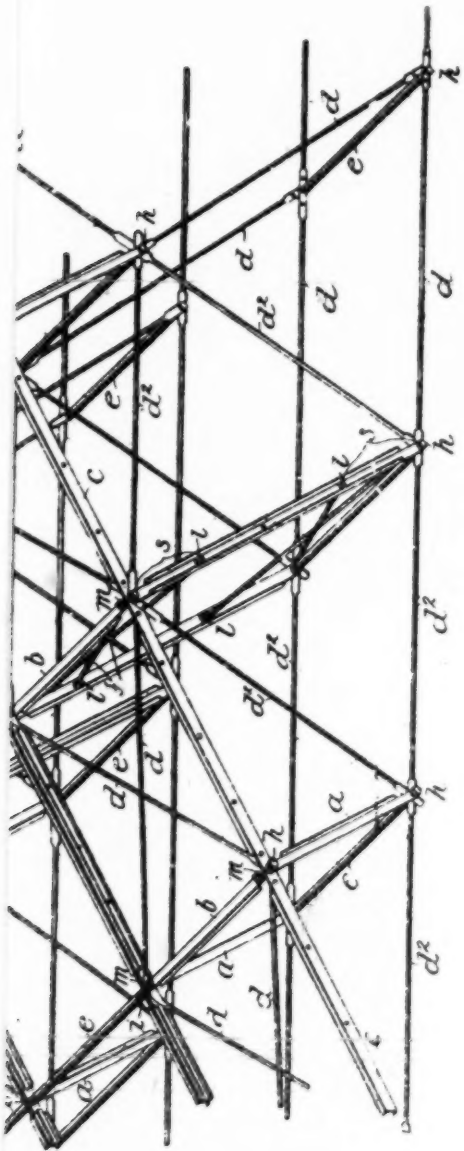
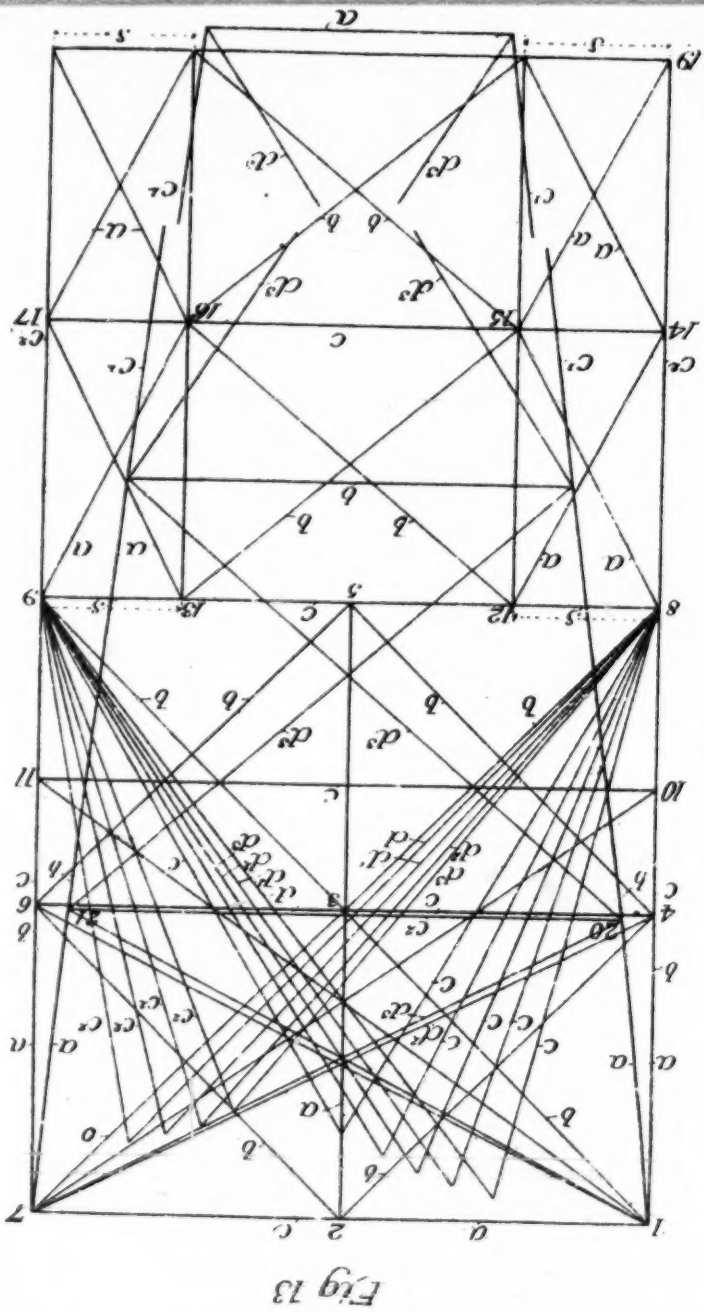
Fig. 11.

Fig. 12.

[This Drawing is a reproduction of the Original on a reduced scale.]

Fig. 14.





KAISERLICHES



PATENTAMT.

AUSGEF. DES 22. FEBRUAR 1899.

PATENT SCHRIFT

— № 46312 —

KLASSE 77: SPORT.

OTTO LILIENTHAL IN GROSS-LICHTERFELDE.

Herstellung von Modellbauten aus Leisten verschiedener Länge.

Patentirt im Deutschen Reiche vom 8. April 1888 ab.

Die Erfindung bezweckt, durch ein leicht zusammenfügbares und wieder aus einander nehmbares Material Bauten der verschiedensten Art herzustellen, welche sowohl als Modelle, als auch zu lehrreichem Spielzeug dienen können.

Das Material selbst findet in einem verhältnismäßig kleinen Raum Platz und kann trotzdem in der mannigfachsten Weise benutzt werden. Die damit hergestellten Bauten sind leicht und transportabel, können nach erfülltem Zweck leicht aus einander genommen und das Material von neuem verwendet werden.

Die beiliegenden Zeichnungen zeigen in Fig. 1 bis 13 die verschiedenartigsten Verbindungen des Materials.

Fig. 14 bis 26 zeigen die einzelnen Theile des Materials. Fig. 27 zeigt das Modell eines zusammenlegbaren Hauses mit Weglassung der zwischen die Leisten einzuschiebenden Tafeln.

Das Material für die herzustellenden Modellbauten besteht aus Leisten, Fig. 14 und 15, von dem in Fig. 16 gezeigten Profil *a* von verschiedener Länge, welche einheitlich in regelmäßigen Abständen durchbohrt sind. Diese Leisten werden mittelst Nadeln, Fig. 18 bis 24,

auf die verschiedenste Weise je nach dem erforderlichen Zweck verbunden, wie die Fig. 1 bis 13 und 27 zeigen. Die Nadeln werden durch vorgesteckte Keile *C*, Fig. 17, befestigt.

In die Rillen zwischen je zwei Leisten können Tafeln aus Pappe oder anderem zweckmäßigen Material eingeschoben werden, wie Fig. 16 zeigt.

Fig. 25 ist ein Blechwinkel, der als Diagonalstrebe dient, Fig. 26 zeigt die gleichfalls aus Blech hergestellte Befestigung der Dachrahme.

Dachsparren oder andere schräg laufende Verbindungstheile werden durch die gekrümmten Splintnadeln, Fig. 24 und 24a, befestigt.

PATENT-ANSPRUCH:

Die Herstellung von Modellbauten aus Leisten verschiedener Länge, welche in einer gleichmäßigen Längeneintheilung vielfach gelocht sind und mittelst gerader oder gekrümmter V-förmiger Splintnadeln und dazu gehöriger Keile verbunden werden, während die Flächenfüllung durch Einschieben von Platten in die an den Leisten angebrachten Nuthen bewirkt wird.

Hierzu 1 Blatt Zeichnungen.

Fig. 1.



Fig. 2.

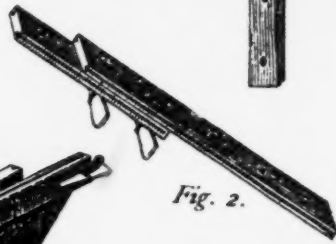


Fig. 3.

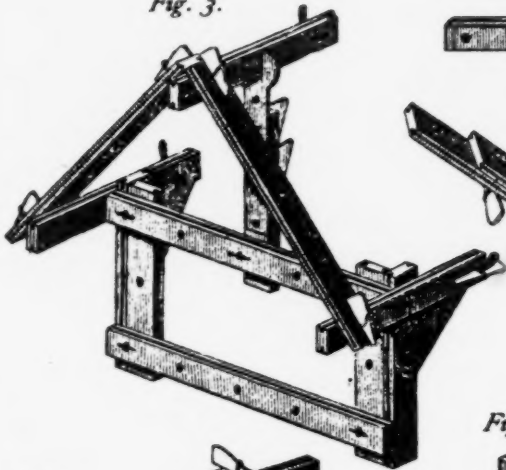


Fig. 8.



Fig. 10.



Fig. 6.

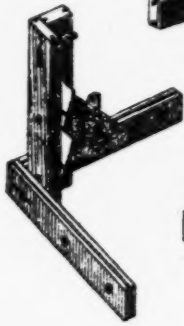


Fig. 5.



Fig. 7.



Fig. 9.



Fig. 14.



Fig. 16.



OTTO LILIENTHAL IN GROSS-LICHTERFELDE.

Herstellung von Modellbauten aus Leisten verschiedener Länge

Fig. 4.

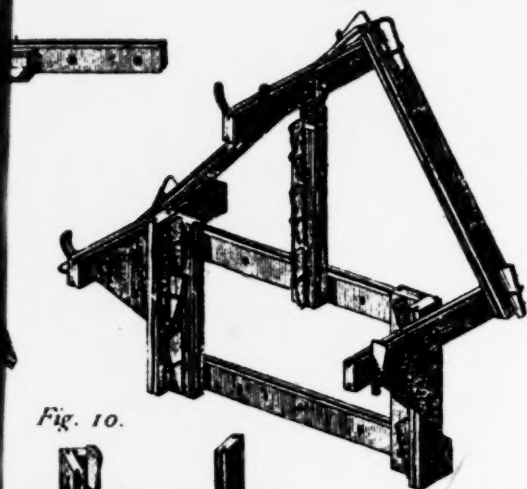


Fig. 10.



Fig. 11.

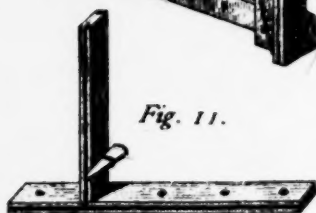


Fig. 12.

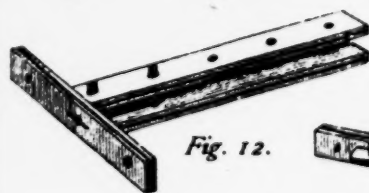


Fig. 13.

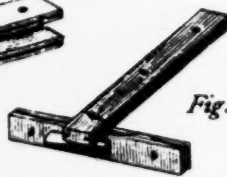
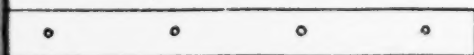


Fig. 15.



16.



Fig. 18.



Fig. 19.



Fig. 20.

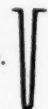


Fig. 21.



Fig. 22.

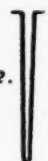


Fig. 23.



Fig. 24.



Fig. 24 a.



Fig. 25.

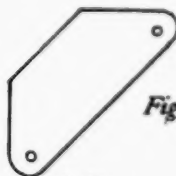


Fig. 26.



Fig. 17.



Fig. 27.



Zu der Patentschrift

№ 46312.

KAISERLICHES



PATENTAMT.

PATENTSCHRIFT

— № 153854 —

KLASSE 77 f.

AUSGEGEBEN DEN 17. AUGUST 1904.

WALTER WALTHER IN BERLIN.

Bauspielzeug mit regelmäßig gelochten, fest miteinander zu verbindenden Stäben.

Patentiert im Deutschen Reich vom 4. Juni 1903 ab.

Gegenstand der Erfindung ist ein Bauspielzeug, mit dem Banten hergestellt werden können, die wirklich von Zimmermann ausgeführten Banten sehr ähnlich sind, und dessen einzelne Teile sich fast unbeschränkt verwenden lassen, so daß z. B. ein Bauteil, der bei einem Bau als Stiel, Sparren, Band oder Balken verwendet wird, bei einem anderen Bau einen Riegel, eine Strobe, einen Unterzug, eine Schwelle, ein Rahmen-, Sattel- oder Lagerholz darstellen kann. Die einzelnen Bauteile (Hölzer) lassen sich durch besonders ausgestaltete Verbindungsstücke beliebig verlängern, in Breite und Höhe verdoppeln, verdreifachen usw.

Das Bauspielzeug besteht in der Hauptsache aus Holzstäben, die in ihrem Querschnitt quadratisch oder rechteckig sein können. Diese Holzstäbe sind an den Langscheiden in bekannter Weise nach einem bestimmten Maßverhältnis gelocht. Außer dieser Lochung ist an jedem Holzstabe an beiden Stirnflächen, in der Richtung seiner Längsachse und genau im Mittel ein Bohrloch angebracht, das den gleichen Durchmesser hat wie die Löcher der Langscheiden. Die Langlöcher werden bis zur zweiten Querbohrung, von der Stirnfläche aus gerechnet, durchgeführt. Im Kreuzungspunkte *c* (Fig. 6) treffen sich die Querbohrungen mit den Längsbohrungen.

Alle Bohrungen gehen stets um mehrere Millimeter über den Schnittpunkt *c* hinaus, damit die Stift- und Splintspitzen der metallenen Verbindungsstücke für die Holzstäbe (Fig. 13 a bis 13 f) darin noch Platz finden.

Die Stiftspitze *t* (Fig. 13 a bis 13 d) muß bei vollständig versenktem Stift ca. 5 mm über die Querbohrung hinausgehen, damit ein Splintloch, das sich genau mit den Querbohrungen der Holzstäbe decken und das den Verbindungsstiften Halt geben muß, angebracht werden kann. Die Splintspitzen greifen in das Splintloch der Stifte ein und gehen noch ca. 5 mm darüber hinaus, wo sie in der Verlängerung der Bohrungen über den Schnittpunkt *c* hinaus ihren Platz finden.

Soll ein als Schwelle, Rahmen oder Balken dienender, wagerecht zu verwendender Holzstab mit einem solchen, der als Säule, Stiel oder Ständer senkrecht zu verwenden ist, verbunden werden, so wird ein Metallstift, dessen Stärke, wie stets, dem Durchmesser der Bohrungen entspricht, zuerst durch die rechtwinklige Bohrung des einen Stabes hindurch- und in die Längsbohrung des anderen Stabes eingeführt. Der Metallstift, der zu dieser Verbindung verwendet wird, trägt an einem Ende eine nagelkopffartige Scheibe, am anderen ein Loch. Der Kopf verhindert ein Durchziehen des Stifts, während in das Loch ein keil-, kegelförmiger oder zylinderförmiger Splint eingeführt wird, der durch die entsprechende Querbohrung des Stabes, der in seiner Längsbohrung den Metallstift aufgenommen hat, greift. In Fig. 6 ist diese Verbindung dargestellt, und Fig. 13 a bis 13 d veranschaulichen den Metallstift, während Fig. 13 e den Splint in verschiedenen Formen zeigt. Um ein Rückwärtstreten des Splints zu verhindern, kann dieser, sowie das Splintloch des Stifts mit Ge-

winde versehen werden (Fig. 13), oder der Splint ist am Kopfe zylindrisch, im Mittel kegelförmig und an der Spitze oval, so daß sich an der Spitze ein Kegel bildet (Fig. 13a).

- 3 Nach Einführen des Splints in das hierzu gehörige ovale Splintloch des Stiffs dreht man ihn um 180°, so daß der Kegel des Splints rechts und links hinter die Wandungen des Splintlochs greift und ein selbsttätiges Zurücktreten des Splints verliht.

- 10 Diese Stiftverbindung wird auch benutzt, wenn zwei wagerecht zu verwendende Holzer, also zwei sogenannte Riegelholzer, rechtwinklig auf ein senkrecht stehendes Holz stoßen (Fig. 7 und 8). Hier hat der Metallstift keinen Kopf, sondern zwei mit Splintlöchern versehene Spitzen. Der Metallstift wird durch eine Querschloßung des senkrechten Stabes hindurch- und in die Längsschloßungen der wagerechten Stäbe eingeschoben; dann werden die Splinte in der zuvor beschriebenen Weise eingesetzt, und die Verbindung ist fertig. Fig. 13d zeigt den mit zwei Löchern versehenen Stift. Es können mit vorerwähnter Verbindung auch zwei senkrechte Stäbe mit einem oder mehreren wagerechten Stäben vereinigt werden.

- Die Eckverbindung von drei rechtwinklig aneinander stoßenden Bausteinen, wie sie an jeder Gebäudeecke vorkommt und in Fig. 1 schematisch dargestellt ist, geschieht so, daß ein wagerechter Stab über eine Schwelle in einen aus Blech gefertigten Schuh eingelegt wird, der einen Boden und zwei Seiten hat, oben offen und der Ecke entsprechend rechtwinklig gelagert ist (Fig. 2 und 3). Der Schuh ist unten und an der inneren Seite genau wie die Stäbe gelocht.

- Der Stab wird so eingelegt, daß seine Stirnfläche an die eine andere Wand stößt, während seine ungelochte Seite an die andere äußere Wand des Schubes zu liegen kommt. Durch den Boden des Schubes und den eingelegten Stab wird ein Metallstift mit Kopf eingesetzt, der dann in die Längsschloßung des aufstoßenden senkrechten Stabes eingreift. Der Splint wird in der vorgeschriebenen Weise eingesetzt und ein Schuh, ein wagerechter und ein senkrechter Stab sind untereinander fest verbunden.
- 50 Der zweite wagerechte Stab, der die andere Schwelle bildet, die ebenfalls wagerecht und im rechten Winkel auf die erste Schwelle steht, wird in den noch offenen Teil des Schubes gelegt und durch Stifte, die in die Löcher des Schubes und der Stäbe eingreifen, mit dem anderen Teile verbunden, und die Gebäudecke ist fertig.

- Zur Sparrnenbefestigung, unten wie oben, werden gleichfalls aus Blech gepreßte oder gestanzte Schuhe verwendet. Fig. 10 zeigt den Schuh, der benutzt wird, wenn der Sparr-

auf dem Drempelrahmen oder auf der Sparrschwelle befestigt werden soll. Dieser Schuh ist oben offen. Der Boden ist zur größeren Hälfte von den aufrechten Seiten abgeschnitten und in der Richtung der Dachneigung erst wagerecht, dann bogenförmig und darauf wieder wagerecht abgelenkt, so daß der aus- und abgelenkte Teil hakenartig mit den Drempelrahmen oder die Sparrschwelle heruntreift. Die Befestigung des Schubes am Rahmen oder an der Schwelle geschieht durch Stifte, mit denen auch die Sparrnen befestigt werden. Fig. 9 zeigt den unteren Sparrschuh in seiner Anwendung zur Verbindung des Sparrstems mit der Sparrschwelle. Auch hier ist noch zu sehen, wie die ausgeschweiften, profilierten Sparrkopfe mittels des Schubes an den Sparrnen befestigt sind.

Fig. 12 zeigt den oberen Sparrschuh, dessen Anwendung und Verbindung mit zwei Sparrnen und dem Firstrahmen in Fig. 11 ersichtlich ist. Bei diesem Schuh ist der Boden von zwei Seiten auf etwa $\frac{1}{2}$ seiner Länge abgeschnitten und rechtwinklig nach unten abgelenkt; dadurch entstehen zwei bogenförmige Lappen, die über die Firplatte greifen und in der oben beschriebenen Weise durch Stifte daran befestigt werden.

Die Stiftverbindung kann auch derart geschehen, daß erst ein senkrechter Stab als Stiel, darüber ein wagerechter Stab als Wandrahmen und über diesen wiederum ein wagerechter Stab rechtwinklig zum ersten als Balken gelegt wird, so daß drei aus verschiedenen Richtungen zusammenlaufende Stäbe durch einen Stift verbunden werden. Es greift dann der Stift von oben herab durch die erste Querschloßung des Balkens und geht durch eine mittlere Querschloßung des Wandrahmens hindurch in die obere Längsschloßung des Stieles.

PATENT-ANSPRÜCHE:

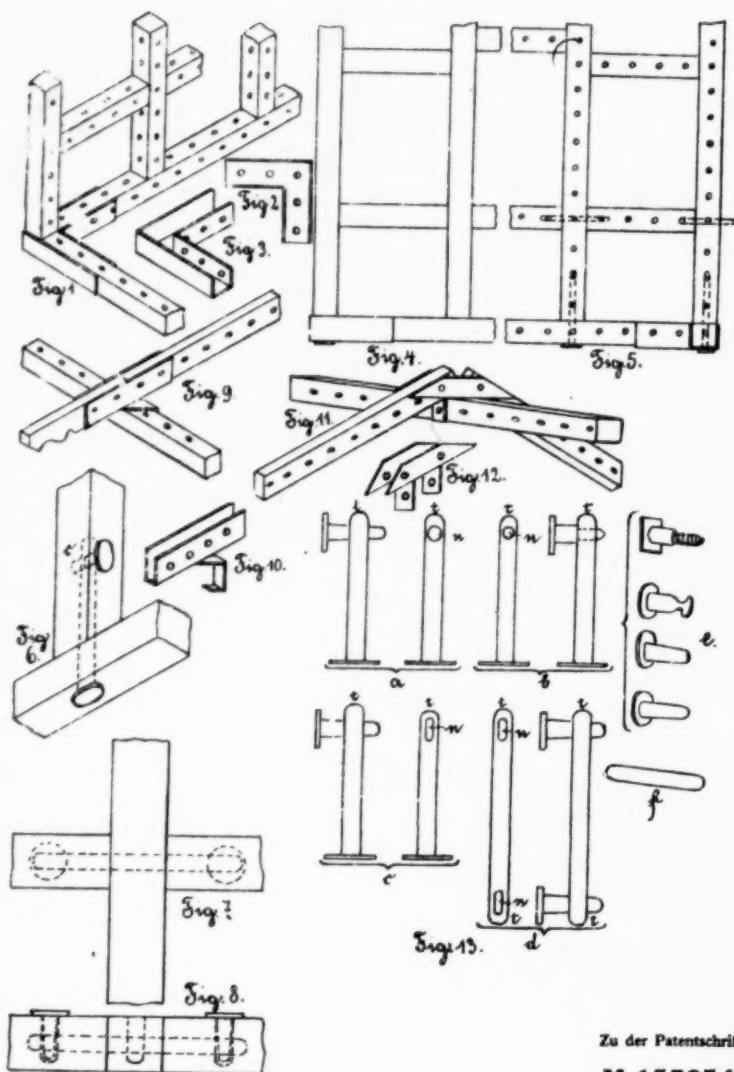
1. Baupspielzeug mit regelmäßig geordneten, fest miteinander zu verbindenden Stäben, dadurch gekennzeichnet, daß zur Verbindung der Holzstäbe Stifte, die entweder an einer Seite einen nagelkopfabnlichen Ansatz, an der anderen Seite ein rundes oder ovales Loch, oder auf beiden Seiten Löcher haben, durch Querschloßungen des einen Stabes hindurch in die Längsschloßung des anderen Stabes eingesetzt und durch ovale oder runde Splinte, die einzustecken oder einzuschrauben sind, befestigt werden, um eine feste, von außen nicht sichtbare Verbindung mehrerer Stäbe untereinander herzustellen.
2. Baupspielzeug nach Anspruch 1, dadurch gekennzeichnet, daß zur Verbindung der Holzstäbe an den Enden außer dem

seiten rechtwinklig aus Blech gefertigte Schuhe verwendet werden, die an den Boden und Seiten in gleichem Maßverhältnis wie die Holzstäbe gelocht sind, damit sie durch Stifte und Splinte an und mit den Holzstäben fest verbunden werden können.

3. Hausspielzeug nach Anspruch 1, dadurch gekennzeichnet, daß zur Verbindung der als Sparren dienenden Holzstäbe mit solchen Stäben, die zur unteren Sparrenauflage als Drempelrahmen oder Sparrenschwelle verwendet werden, im Boden und an den Seitenwänden den Stäben entsprechend gelochte Schuhe (Fig. 10) benutzt werden, deren Seiten in der Richtung der Dachneigung laufen, während die Boden- an oberen Ende von den Seiten teilweise abgeschnitten und zweimal abgebogen sind, so daß der abgeboogene Teil einen Haken

bildet, der um den Holzstab herumgreift, wobei Schuhe und Drempelrahmen oder Sparrenschwelle und Sparren wieder durch Stifte fest verbunden werden.

4. Hausspielzeug nach Anspruch 1, dadurch gekennzeichnet, daß zur Verbindung der als obere Auflage für Sparren, als Firstpfette mit den als Sparren dienenden Stäben in Boden und Seitenwänden den Stäben entsprechend gelochte Schuhe (Fig. 12) vorgesehen sind, deren Boden von beiden Enden aus von den Seitenwänden teilweise abgeschnitten und rechtwinklig vom Boden abgebogen ist, so daß die abgeboogenen Teile zwei nach unten stehende Lappen bilden, die klammerartig an den Seiten der Firstpfette heruntergreifen, und wobei wieder Schuh, Firstpfette und Sparren durch Stifte und Splinte miteinander verbunden werden.



Zu der Patentschrift

№ 153854.

255

Lilienthal Translation.

Imperial German Patent Office.

Patent No. 46312.

Class 77; Sports.

Otto Lilienthal, of Gross-Lichterfelde.

Describing the Building of Models from Strips of Various Lengths.

Patented in the German Empire, Effective April 8, 1888.

This invention consists of building material which can be readily put together and taken apart and can be used in building up models of various descriptions, also in furnishing instructive playthings.

The material itself can be accommodated in a very small space, and may nevertheless be employed in many different ways. The so built-up models are light and transportable, and can, after having filled their purpose, easily be taken apart, and the material be used again for the building of new models.

The attached drawings show in Figs. 1 to 13 the different ways in which this material can be used.

Figs. 14 to 26 shows the separate parts of the material. Fig. 27 shows a model of a portable house leaving out the plates to be inserted between the strips. The material for the construction of these models consists of strips, as shown in Figs. 14 and 15, as well as 16 profiles, and all of various lengths and perforated systematically at regular intervals. These strips are fastened together by clips in different ways according to purpose shown in Figs. 18 to 24, and are used as shown in Figs. 1 to 13 and Fig. 27. These clips are fastened by means of wedge-shaped pins shown in Fig. 17.

In the grooves between every two strips small plates of pasteboard or other suitable material can be inserted, as shown in Fig 16. Fig. 25 is serving as diagonal strip metal plate, and Fig. 26 shows roof frame, also of metal, used for supporting the ridge pole of the roof, Rafters or other slanting pieces are fastened by means of the metal fasteners shown in Figs. 24 and 24a.

Patent-claim.

The building of various models from strips of various lengths which contain many perforations at regular or equi-distant intervals and are held together by means of V-shaped clips, straight or crooked, and fastened in connection with small wedge-shaped pins, while the surface-filling is effected by inserting plates or cardboards through the grooves in the strips.

Annexed 1 sheet of drawings.

(Here follow specifications and drawings marked pages 257 to 261, inclusive.)

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Walther Translation.

United States of America,
Department of the Interior,
United States Patent Office.

Ger. 153,854.

To all to whom these presents shall come, Greeting:

This is to certify that the annexed is a true copy of a Translation made by the Official Translator from the Bound Volume of the Library of this Office of the Specification in the matter of German Letters Patent to Walter Walther, Dated June 4, 1903, Number 153,854, for Toy Building Set with Regularly Perforated Bars designed to be Rigidly connected together.

Attached hereto is a photograph copy of the Drawing in the matter of the same.

In testimony whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed at the City of Washington, this 17th day of May, in the year of our Lord, one thousand nine hundred and fifteen, and of the Independence of the United States of America the one hundred and thirty-ninth.

[SEAL.]

(Revenue Stamp)

R. F. WHITEHEAD,

Acting Commissioner of Patents.

263

Translation.

German Patent No. 153,854.

Class 77f.

Walter Walther, of Berlin.

Toy Building Set with Regularly Perforated Bars Designed to be Rigidly Connected Together.

Patented in the German Empire from June 4, 1903.

Issued August 17, 1904.

The subject of the invention is a toy building set by means of which structures can be put up closely resembling real structures erected by carpenters and the different parts of which can be put to almost unlimited use, so that, e. g., a structural element which in one building is used for a support, rafter, molding or beam may in another building represent a nog, strut, girder, sleeper, framing timber, corbel or joint. The different structural parts (wooden bars) are capable of being lengthened to any desired extent, and their width

and height of being doubled, trebled, etc., by means of connecting members of special form.

The toy building set consists essentially of wooden bars which may be of square or rectangular cross-section. Said wooden bars are perforated on their long sides at definite intervals in a known manner. In addition to such perforations, each wooden bar has at both ends, in the direction of its longitudinal axis and exactly in the center, a bore-hole which is of the same diameter as the perforations of the long sides. The longitudinal bores are continued to the second transverse perforation counted from the end faces. At the point of intersection *c* (Fig. 6) the transverse perforations meet with the longitudinal bores.

264 All bores extend invariably a few millimeters beyond the point of intersection *c* so as to afford room therein for the points of the pins and locking pins of the metal members which are designed to join the wooden bars together (Figs. 13a to 13f).

The point *t* of the pin (Figs. 13a to 13b), after having been completely sunk in, must project about 5 mm. beyond the transverse perforation so as to enable said point to be provided with a locking-pin hole which must coincide exactly with the transverse perforations of the wooden bars and afford a support for the connecting pins. The points of the locking pins enter the hole provided for them in the long pins and pass about 5 mm. beyond it, where they are lodged in the prolongation of the bars beyond the intersecting point *c*.

When a wooden bar which is to be used horizontally for a sleeper, framing piece or beam is to be connected with a bar which is to be used vertically as a column, support or upright, a metal pin, the thickness of which corresponds as usual to the diameter of the perforations, is first passed through the rectangular perforation of one bar and into the longitudinal bore of the other bar. The metal pin used for such connection has at one end a projection resembling the head of a nail and at the other end a hole. The head prevents the pin from pulling through, while the hole receives a tapering conical or cylindrical locking pin which passes through the respective transverse perforation of the bar which in its longitudinal bore has received the metal connecting pin. This connection is illustrated in Fig. 6, while Figs. 13a to 13d show the metal connecting pin, and Fig. 13c (*c?*) shows different forms of the locking pin. To prevent the latter from working out backward, said locking

265 pin and the hole provided for it in the connecting pin are threaded (Fig. 13) or the locking pin may be cylindrical at the head, conical in the middle and oval at the point, so as to form a kind of a catch at the point (Fig. 13e). When the locking pin has been inserted in the oval hole provided for it in the connecting pin, it is turned through 180° so that the catch of the locking pin will engage on the right and left behind the sides of the hole and prevent the locking pin from working backward automatically.

This pin connection is also used when two wooden bars to be used horizontally—hence, two cross-bars—abut at right angles against a vertical bar (Figs. 7 and 8). In that case the metal connecting pin has no head but two points, each provided with a hole

for the locking pin. The metal connecting pin is pushed through a transverse perforation of the vertical bar and into the longitudinal bores of the horizontal bars; the locking pins are then inserted in the manner previously described, and the connection is finished. Fig. 13*d* shows a pin having two holes. By means of the above described connection two vertical bars may also be connected with one or more horizontal bars.

The corner connection of three building bars abutting at right angles against one another, such connection occurring in every corner of buildings and being shown isometrically in Fig. 1, is obtained by placing a horizontal bar (in this case a sleeper) in a shoe made of sheet metal, which shoe has a bottom and two sides, is open at the top and bent at right angles corresponding to the corner (Figs. 2 and 3). The shoe is perforated at the bottom and on the inner side exactly like the bars.

266 The bar is so placed in the shoe that its end face will abut against one outer wall, while its non-perforated side will come to lie against the outer wall of the shoe. Through the bottom of the shoe and the bar placed in it a metal connecting pin with head is passed which then engages in the longitudinal bore of the abutting vertical bar. The locking pin is inserted in the above described manner, and thus a shoe, a horizontal bar and a vertical bar are rigidly connected with one another. The second horizontal bar forming the other sleeper and likewise abutting horizontally and at right angles against the first sleeper, is placed in the part of the shoe left open and connected with the other part by pins engaging in the perforations of the shoe and of the bars, and thus the corner of the building is finished.

For the purpose of fastening rafters at top and bottom, shoes pressed or punched out of sheet metal are likewise resorted to. Fig. 10 shows the shoe which is used when the rafters are to be secured to the wall plate or pole plate. Said shoe is open at the top. The bottom is cut off from the vertical sides for more than one-half of its length and bent in the direction of the pitch of the roof first horizontally, then vertically and then again horizontally, so that the part bent out and away from the bottom embraces the pole plate like a hook. The shoe is fastened to the pole plate by means of pins, which also serve to fasten the rafters. Fig. 9 shows the lower rafter shoe used to connect the rafters with the pole plate. In this figure it is also shown how the indented profile heads of the rafters are fastened by means of shoes.

Fig. 12 shows the upper rafter shoe, the method of employment of which and connection with two rafters and the ridge beam are shown in Fig. 11. In this shoe the bottom is cut off at both ends over about one-third of its length and bent downward at right angles; thereby two vertical flanges are formed which pass over the ridge beam and are secured to the same in the above described manner by pins.

The connection by pins may also be achieved by first putting in position a vertical bar for a support, then over it a horizontal bar for a wall frame, and above the latter another horizontal bar at right

angles to the former to serve as a beam, so that three bars coming together from different directions are connected by one pin. In that case the pin passes from the top through the first transverse perforation of the beam, then through a central transverse perforation of the wall frame and into the upper longitudinal bore of the support.

Claims.

1. Toy building set with regularly perforated bars designed to be rigidly joined together, characterized by the fact that for the connection of the wooden bars, pins, either provided with a projection resembling the head of a nail at one end, and with a round or oval hole at the other end or with holes at both ends, are passed through transverse perforations in one bar into the longitudinal bore of the other bar and secured by oval or round locking pins designed to be struck in or screwed in, to the end of insuring a rigid connection, not visible from the outside, of several bars.

2. Toy building set according to claim 1, characterized by the fact that for the connection of the wooden bars at the corners there are used, in addition to the pins, rectangular shoes of sheet metal which are perforated at the bottom and sides at the same intervals as the wooden bars, to the end of enabling them to be rigidly connected to and with the wooden bars by means of metal connecting pins and locking pins.

3. Toy building set according to claim 1, characterized by the fact that for the connection of the wooden bars used for rafters with other bars used for the lower rafter support as a pole plate shoes are used the bottom and sides of which are perforated to correspond with the perforations in the bars (Fig. 10), the sides of which run in the direction of the pitch of the roof, while at the upper end the bottoms are partly cut away from the sides and bent twice, so that the part bent away forms a hook which embraces the wooden bar, the shoes, pole plate and rafters being again rigidly connected by pins.

4. Toy building set according to claim 1, characterized by the fact that for the connection of the bar used for a ridge beam or upper support of the rafters with the bars used for the rafters, shoes are provided the bottom and sides of which are perforated to correspond with the perforations in the bars (Fig. 12) and the bottoms of which are partly cut away from the sides at both ends and bent at right angles away from the bottom, so that the parts thus bent form two downwardly extending flanges which embrace the sides of the ridge beam after the manner of a clamp, the shoe, ridge beam and rafters being again joined together by connecting pins and locking pins.

N. E. K.

5/13/15.

The foregoing translations have not been proved in either the Ohio case or the present Wanamaker case, and their correctness is not admitted by Appellee.

267 "DEFENDANT'S EXHIBIT APPELLANTS' MOTION, 6TH U. C. A."

In the United States Circuit Court of Appeals for the Sixth Circuit.

No. 2977. In Equity.

F. A. WAGNER et al., Appellants,

versus

MECCANO, LIMITED, Appellee.

Motion on Contempt and to Enjoin, and Wag. Affdt. in Support.
Be Submitted Jan. 11.

Notice of Motion.

Cincinnati, Ohio,

December 19, 1916.

To Messrs. Healy, Ferris & McAvoy, solicitors for appellee:

Please to take notice that the motion and affidavit in support thereof attached hereto, will be submitted to the Circuit Court of Appeals on January 2, 1917, at 9:30 o'clock A. M. or as soon thereafter as may be.

TOULMIN & TOULMIN,

Solicitors for Appellants.

Received, this 19th day of December, 1916, a copy of the above notice and motion and affidavit therein referred to.

HEALY, FERRIS & McAVOY,

Solicitors for Appellee.

268 In the United States Circuit Court of Appeals for the Sixth Circuit.

No. 2977. In Equity.

F. A. WAGNER et al., Appellants,

versus.

MECCANO, LIMITED, Appellee.

Motion by Appellants.

Now come appellants and represent to this Honorable Court the following:

(1). That a decree was entered herein by the District Court on July 8th, 1916, awarding an injunction against these appellants on the issues of alleged patent infringement, copyright infringement, and unfair competition;

(2). That on or about July 8, 1916, appellants took and were allowed an appeal to this Court from said decree;

(3). That on July 12, 1916, District Court allowed and approved a cost and supersedeas bond in the sum of fifty thousand (\$50,000.00) dollars, duly filed in said Court by appellants, under which said injunction was superseded so that appellants could continue their business and could manufacture and sell the toys involved in said issues pending the decision of this cause by the United States Circuit Court of Appeals for the Sixth Circuit;

(4). That this cause was docketed in this Court on or about September 23, 1916, pursuant to said appeal, and is and has been pending in this Court since the allowance of said appeal in July, last;

(5). That it now appearing that notwithstanding said supersedeas bond, the plaintiff in this action, the appellee in this Court, has lately instituted a suit in the United States District Court for the Southern District of New York against John Wanamaker, a customer of the appellant manufacturer, who purchased toy outfits from said manufacturer since said supersedeas bond was given, and which toy outfits are the same in kind as those involved in this action;

(6). Now, therefore, appellants move the Court, as follows:

(1). That Meccano, Limited, appellee herein, and plaintiff in said New York action, be enjoined from prosecuting said New York action against John Wanamaker, and hereafter instituting and prosecuting any other like or similar action against any other customer or customers of these appellants pending and until this Court shall have decided this cause.

(2). That Meccano, Limited, this appellee, and the plaintiff in said New York action, be held in contempt of Court for having instituted said New York suit against John Wanamaker notwithstanding the supersedeas bond theretofore allowed and filed in this cause.

TOULMIN & TOULMIN,
Solicitors for Appellants.

United States Circuit Court of Appeals, Sixth Circuit.

In Equity. No. 2977.

F. A. WAGNER et al., Appellants,

VERSUS

MECCANO, LIMITED, Appellee.

Affidavit of F. A. Wagner.

STATE OF OHIO,
County of Hamilton, ss:

I, F. A. Wagner, being duly sworn, depose and say that I am one of the appellants in the above entitled cause and am familiar with the record and issues in said case.

On July 8th, 1916, I with the other defendants took and were allowed an appeal from a decree of the District Court enjoining the further manufacture and sale of what are known as American Model Builder Toy Outfits, also enjoining the use of certain catalogues or manuals of 1912; and further enjoining certain alleged acts
271 of unfair competition. The injunction so granted was superseded by the filing of a supersedeas bond July 12th, 1916, for fifty thousand dollars (\$50,000.00). That bond is now and has ever since remained in full force and effect.

This cause, since the allowance of said appeal, has been pending in this Honorable Court and the transcript has been under preparation and printing and is now completed.

After July, 1916, when said supersedeas bond was approved and filed, as defendant manufacturer we continued to sell our toys to our established customers. Among the customers to whom we sold these toys was John Wanamaker of New York.

We sold him his toy requirements for this present holiday season under and by virtue of said supersedeas bond.

On the 9th inst. Meccano Limited, the plaintiff in this Ohio action, notwithstanding said supersedeas bond, instituted an action against said John Wanamaker of New York, in the United States District Court of the Southern District of New York upon the same issues as involved in this suit, save only that John Wanamaker was made defendant instead of the Ohio defendants. On the 15th inst. our counsel in this cause was advised of said New York suit, and obtained copies of the Bill of Complaint and other papers filed therein December 16, 1916.

I respectfully now represent that the institution of said suit against John Wanamaker, our customer, was, as I am advised, a violation of our rights secured under and by virtue of said
272 supersedeas bond; was and is in disregard of the action and authority of the District Court for the Southern District of Ohio which allowed said supersedeas bond, and in disregard of the pendency of said Ohio cause before this Court and of the authority of this Court over the causes of action involved in this suit; and was and is an attempt on the part of the plaintiff herein to disregard the authority of these Courts with respect to said supersedeas bond, and also an attempt to multiply litigation and sue John Wanamaker, our customer, and to enjoin him from selling and dealing in the very identical toy outfits to make and sell which we received authority under and by virtue of said supersedeas bond.

Wherefore, I submit this affidavit in support of the motion herewith presented to the United States Circuit Court of Appeals for the Sixth Circuit.

F. A. WAGNER.

Sworn to and subscribed before me this 19th day of December, 1916.

[SEAL.]

ROBERT KRAMER,
Notary Public, Hamilton County, Ohio.

[The foregoing motion was denied by the 6th C. C. A., under date of Feb. 16 1917. See Vol. 7 Trade Mark Reporter, No. 2, p. 43.]

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Opinion.

United States District Court, Southern District of New York.

MECCANO, LIMITED, Complainant,

against

JOHN WANAMAKER, NEW YORK, Defendant.

Ralph L. Scott, Solicitor for Complainant; Reeve Lewis, of Counsel.

Toulmin & Toulmin, Solicitors for Defendant; H. A. Toulmin and H. A. Toulmin, Jr., Counsel.

AUGUSTUS N. HAND, *District Judge:*

This is a motion for a preliminary injunction against (1) unfair competition, (2) infringement of copyrights, No. 291,371, and No. 294,670, and (3) infringement of patent No. 1,079,245. Judge Hollister has granted a final decree for the complainant in the Western District of Ohio upon the precise issues involved in this cause, and an appeal has been taken from Judge Hollister's decree and the injunction suspended during the appeal. That suit was against the manufacturer of the mechanical construction toy involved here. The catalogue was held to infringe the copyrights of complainant. This suit is brought against a customer of the defendant in that case.

It is urged that the suspension of the injunction pending that appeal precludes the relief here sought. There is no basis in reason or authority for such a contention.

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Philadelphia Co. v. Edison Co., 65 Fed., 551.

Birdsell v. Shaliol, 112 U. S., 485.

The supersedeas bond in Ohio does not protect the complainant against the infringement by this defendant. I have examined the briefs and the record in the Ohio case sufficiently to be in general agreement with Judge Hollister, and I think it the fairest disposition of this motion to grant an injunction to the complainant upon filing a bond of \$3,000 with the alternative provision that the injunction may be suspended pendente lite if the defendant shall file a bond in a like amount within ten days. Such a provision protects each party without imposing any serious burden upon either.

It seems quite apparent that the patent is infringed, and that diagrams and directions as to construction have been borrowed by defendant from complainant's copyrighted catalogues, and that the system of construction adopted by the defendant is a direct imitation of complainant's system. The spacing of the holes in, and general appearance of the mechanical parts, seem to be practically identical.

I do not think the books containing plates, or the covers or other ornamentations of the catalogues of the defendant are sufficiently similar to those of the complainant to mislead the public, but the appearance of the plates themselves, and the system of construction have been so deliberately taken by the defendant from the complainant that they are misleading, and come within the decisions of

275 Enterprise Mfg. Co. v. Landers, Frary & Clark, 131 Fed., 240.

Yale & Towne Mfg. Co. v. Adler, 154 Fed., 37.

Rushmore v. Manhattan Screw & Stamping Works, 163 Fed., 939.

Prest-o-lite Co. v. Davis et al., 215 Fed., 349.

Dated January 9, 1917.

A. N. H., D. J.

Filed Jan. 10, 1917.

276 At a Stated Term of the District Court of the United States for the Southern District of New York, Held in the Court Rooms Thereof, in the Woolworth Building, in the Borough of Manhattan and City of New York, This 12th Day of January, 1917.

Present: Hon. Augustus N. Hand, United States Judge.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

VS.

JOHN WANAMAKER, NEW YORK, Defendant.

Order.

This cause coming on further to be heard at this Term on plaintiff's Order to Show Cause, *and* was argued by counsel for the respective parties; and upon consideration thereof, it is this day

Ordered that the injunction pendente lite, sought by said Order to Show Cause, be and the same hereby is granted; and the Clerk is directed to issue a preliminary writ of injunction, in accordance with the prayers of the Bill of Complaint herein, upon the filing by plaintiff of a bond, to be approved by the Court, in the sum of Three

Thousand Dollars, conditioned to pay to defendant whatever
277 damage defendant may prove it has suffered by reason of said injunction, in case the Bill of Complaint herein be ultimately dismissed; and it is further

Ordered that, if the defendant, within ten days from the date hereof, file a bond, to be approved by the Court, in the sum of Three Thousand Dollars, conditioned to pay to the plaintiff all damages and profits and costs that may be finally decreed in plaintiff's favor,

promptly take and prosecute an appeal from this Order, and move for a preference in the Court of Appeals, then said injunction may be suspended pending hearing and decision on said appeal.

AUGUSTUS N. HAND.

Writ of Injunction.

The President of the United States to John Wanamaker, New York, a New York corporation, its associates, attorneys, successors, assigns, servants, clerks, agents and workmen, and each and every of them, Greeting:

Whereas, it has been represented to us in our District Court of the United States, for the Southern District of New York, that Meccano Limited, a corporation existing under the laws of Great Britain, is the sole and exclusive owner of a model-builder or toy known by the trade name "Meccano," and is the sole and exclusive owner of all right in the business system involved in the sale and distribution of said model-builder and the outfits and separate units or parts thereof, all as alleged in the Bill,—is the sole and exclusive owner by assignment of all right, title and interest in and to Letters-Patent of the United States No. 1,079,245, granted to Frank Hornby, on November 18, 1913, and of the invention therein set forth and claimed, and that said Letters-Patent as to Claims 8, 9 and 10 thereof are good and valid, and that Claims 1 to 7, inclusive, so far as they embrace the sector plate, are good and valid,—and is the sole and exclusive proprietor and owner of Registered Copyright No. 291,375, dated June 22, 1911, for "Meccano Royal * * * Book of Instructions," and of Registered Copyright No. 294,670, dated August 14, 1911, for "Meccano * * * Manual of Instructions for the Whole Series of Models," and that each of said Copyright Registrations is good and valid in law; and that you, the said John Wanamaker, New York, have been guilty of unfair competition with said Meccano Limited, and have infringed upon said Letters-Patent No. 1,079,245, and have also infringed upon said Registered Copyrights No. 291,375 and No. 294,670, and have violated the rights of Meccano Limited in the premises by the exploitation and sale of a model-builder or toy known by the trade-name "American Model Builder," by the sale and distribution of separate units or parts thereof, and by the publishing and distributing of American Model Builder Manuals, and by causing the aforesaid acts to be done;—and you having failed to file a bond conditioned to pay all damages, profits and costs that may be finally decreed in favor of said Meccano Limited, as provided in the Order entered herein on January 12, 1917, and having likewise failed to comply with the other conditions in said Order set forth; and said Meccano Limited having filed sufficient security in compliance with the terms of said Order;

Now, therefore, we do strictly command and enjoin and restrain you, the said John Wanamaker, New York, your associates, attorneys, successors, assigns, servants, clerks, agents, and workmen, and each

and every of you, from directly or indirectly competing unfairly with said Meccano Limited,—by making or causing to be made, selling, offering for sale, or causing to be sold, or using or causing to be used, any model-builder or toy outfit such as the "American Model Builder," or any individual parts or units such as contained in said outfits, and any book or manual of instruction such as included with said American Model Builder outfits or otherwise distributed and disseminated,—or by copying or imitating any Meccano trade-circular, advertisement, or other printed matter,—or by imitating the boxes and containers of Meccano outfits, or the arrangements of the contents therein, or the showcase of separate parts,—or by otherwise copying, counterfeiting and imitating products of Meccano Limited,—or by putting out outfits or units capable of being palmed off and intended by you to be palmed off in place of Meccano outfits and units,—or by otherwise using and invading the business system of Meccano Limited; from directly or indirectly infringing said Meccano Limited's Registered Copyrights No. 291,375 and 294,670, or either of them, by printing, reprinting, publishing, copying, 280 or vending, or by causing to be printed, reprinted, published, copied, or vended, any of the aforesaid books, manuals, or circulars such as have been included with said American Model Builder outfits or otherwise distributed or disseminated; and from directly or indirectly infringing said Meccano Limited's Letters-Patent No. 1,079,245 by making, selling, or using, or by causing to be made, sold or used, outfits such as the aforesaid American Model Builder, or the units and parts thereof; and from otherwise committing any act or acts whatsoever in violation of said Meccano Limited's exclusive rights in the premises.

Witness the Honorable Learned Hand, Judge of the District Court of the United States for the Southern District of New York, at the Federal Building, in the Borough of Manhattan, in the City and State of New York, this 24th day of January, in the year of our Lord One Thousand Nine Hundred and Seventeen, and of the Independence of the United States the One Hundred and Forty-first.

[SEAL.] (Signed) ALEX. GILCHRIST, JR., *Clerk*.

281 In the District Court of the United States for the Southern District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

vs.

JOHN WANAMAKER, NEW YORK, Defendant.

Plaintiff's Interrogatories.

And now comes the plaintiff, by its counsel, and propounds the following interrogatories to be answered by the defendant herein

under oath and in accordance with Rule 58 of the "Rules of Practice in Equity," to wit:

1. Is the defense herein controlled absolutely by John Wanamaker, New York, and by no other person or concern; and if not, by what other person or persons or concern or concerns?

4. Has the Defendant any agreement or arrangement or understanding with anyone, by which said Defendant will be held harmless, or be reimbursed for any payments he may have to make to Plaintiff as recoveries for damages or profits or costs on account of this litigation; and, if so, what is said arrangement, and with whom?

5. Have the attorneys, Messrs. Toulmin & Toulmin, who are actively defending this suit, been retained by the Defendant itself, and, if not, by whom?

282 6. Have said attorneys been retained by Francis A. Wagner; and, if so, are they to be paid by him?

7. Has any attorney employed and to be paid by Defendant been directed to defend this suit on behalf of Defendant; and if so, what is his name?

8. Is this suit being defended by Francis A. Wagner?

9. Is the defense herein controlled, either directly or indirectly, by or on behalf of said Francis A. Wagner? And what are the facts in that regard?

MECCANO, LIMITED,
By RALPH L. SCOTT,
REEVE LEWIS,
Counsel for Plaintiff.

New York, N. Y., January 16, 1917.

NOTE.—The above-named defendant, John Wanamaker, New York, is required to answer each and every of the foregoing interrogatories.

RALPH L. SCOTT,
Solicitor for Plaintiff.

283 District Court of the United States, Southern District of New York.

MECCANO, LIMITED,

VS.

JOHN WANAMAKER, NEW YORK.

Hearing upon Objections to Certain Interrogatories, under Equity Rule 58, Propounded by Plaintiff.

Memorandum.

The propriety of these interrogatories must be tested by inquiring whether the answers to them would tend to prove that any person or

corporation against whom the validity of the patent in suit has been conclusively established is or is not privy to the present action.

The latest decision elucidating this point is *Rumford Chemical Works v. Hygienic, etc., Co.*, 215 U. S. at 160. It is there held that mere contribution to the defence of an action does not make one a privy with the defendant. The test appears to be whether the person who is alleged to be privy has the right to "intermeddle in any way in the conduct of the case."

Applying this test, all the inquiries regarding the relationship of the two Wanamaker concerns, i. e., those in New York and Philadelphia, are obviously immaterial. So also are those which seek to ascertain whether anyone is merely contributing to the expense of defending this action.

It is therefore ordered, That interrogatories numbered 1, 4, 5, 6, 7, 8 and 9 shall be answered; and all the other interrogatories are stricken out and disallowed.

Feb. 3, 1917.

C. M. HOUGH, U. S. C. J.

284 In the District Court of the United States for the Southern District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

v.

JOHN WANAMAKER, NEW YORK, Defendant.

Defendant's Answers to Plaintiff's Interrogatories.

STATE OF NEW YORK,

County of New York, ss:

I, John W. Appel, Jr., being duly sworn, depose and say that I reside in the city of Town of Hartsdale, and State of New York, and am identified with defendant corporation in the capacity of duly authorized agent; that in this capacity I have charge of many legal matters for the defendant; that I make the following answers to interrogatories 1, 4, 5, 6, 7, 8 and 9 of my own knowledge save as to the matters therein stated to be on information and belief, and that as to those matters I believe them to be true.

(1) Answering interrogatory 1, I state that I know of no "John A. Wanamaker, New York," having any connection with this litigation, but as to the control of the defense, that is in the defendant, while the management is in the hands of J. Chester Johnson, 285 Esq., defendant's own paid counsel, Toulmin & Toulmin, general patent counsel for The American Mechanical Toy Company, and Pliny W. Williamson, Esq., their New York associate solicitor.

(2) Answering interrogatory 4, I state that The American Mechanical Toy Company, of Dayton, Ohio, has given defendant assurances to hold defendant harmless from any loss or liability by reason of the sale by defendant of American Model Builder Constructional Toys.

(3) Answering interrogatory 5, I state that I am informed, and therefore believe, that Messrs. Toulmin and Toulmin, and Mr. Williamson, of counsel in this case, are acting in such capacity, not by being retained by this defendant directly, but by reason of said assurances to hold defendant harmless.

(4) Answering interrogatory 6, I state that I am informed, and therefore believe, that said Toulmin and Toulmin are general patent counsel for The American Mechanical Toy Company and are paid by that Company.

(5) Answering interrogatory 7, I state that J. Chester Johnson of New York City, is a regular attorney of defendant, under pay by defendant, and in such capacity has been and is acting as associate counsel and local solicitor on behalf of defendant with Messrs. Toulmin and Toulmin and with Mr. Pliny W. Williamson, of New York City, the latter an associate counsel under and on behalf of Messrs. Toulmin and Toulmin.

286 (6) Answering interrogatory 8, I state, No, by the defendant and The American Mechanical Toy Company, acting through their counsel as stated.

(7) Answering interrogatory 9 I state, No, not by or on behalf of Francis A. Wagner. The suit is being defended on behalf of the defendant, and is being managed by the solicitors and counsel above mentioned on behalf of the defendant and pursuant to the assurances of The American Mechanical Toy Company to hold the defendant harmless by reason of the purchase and sale of toys manufactured by The American Mechanical Toy Company.

(Signed)

JOHN W. APPEL, JR.

Sworn to and subscribed before me this 16th day of February, 1917.

(Signed)

EUGENE T. HOLLEY,

[SEAL.]

Notary Public, New York County, N. Y.

Notary Public, Westchester Co.

Filed, New York County Clerk No. 158, Register No. 8181.

Commission expires March 30, 1918.

287 In the District Court of the United States for the Southern
District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

vs.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Petition for Appeal.

The above named defendant conceiving himself aggrieved by the injunctional order, made and entered on the 12th day of January, 1917, in the above entitled cause, hereby appeals from the same, and all parts thereof, to the United States Circuit Court of Appeals for the Second Circuit for the reasons specified in the assignment of errors filed herewith, and it prays that this appeal may be allowed, and that a transcript of the record proceedings and papers upon which said injunctional order was made, duly authenticated, may be sent to the United States Circuit Court of Appeals for the Second Circuit.

TOULMIN & TOULMIN,

Counsel for Defendant.

J. CHESTER JOHNSON,
PLINY N. WILLIAMSON,

Solicitors for Defendant.

New York, N. Y., this 9th day of Feb., 1917.

The foregoing petition for appeal is allowed this 9th day of Feb., 1917.

MANTON,

U. S. District Judge.

288 In the District Court of the United States for the Southern
District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

vs.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Assignment of Errors.

Now comes John Wanamaker, New York, the above named defendant, by his solicitor and counsel, and, having prayed for an appeal to the United States Circuit Court of Appeals for the Second

Circuit from the injunctive order of this Court dated January 12, 1917, wherein an injunction was granted against the defendant, says that said injunctive order is erroneous and against the just rights of said defendant for the following reasons, viz.:

(1) That this Court erred in granting an injunction at all.

(2) That this Court erred, in view of the special circumstances, in granting an injunction.

(3) That this Court erred in granting an injunction in view of the pending appeal of the parent cause against the manufacturer in the Court of Appeals of the Sixth Circuit.

289 (4) That this Court erred in granting an injunction in view of the supersedeas bond given by the manufacturer in the parent cause to permit the sale of toys during the pendency of such parent cause in the United States Circuit Court of Appeals for the Sixth Circuit.

(5) That this Court erred in granting an injunction in view of the fact that the defendant is engaged in selling the goods manufactured after the giving of the supersedeas bond in the parent cause.

(6) That this Court erred in granting an injunction in the absence of a showing of irreparable injury or the presumption of such injury.

(7) That this Court erred in granting an injunction in view of the financial responsibility of the defendant, which was not attacked by the plaintiff.

(8) That this Court erred in granting an injunction in view of the trivial amount involved in the number of toys on hand of the defendant at the time the motion for an injunction was submitted.

(9) That this Court erred in imposing a bond on the defendant as a condition for superseding the injunction.

(10) That this Court erred in failing to give due and proper weight to the evidence on behalf of the defendant showing that the component parts of the toys it was selling were made up
290 generally from the prior art and the remainder from patented additions made by the manufacturer.

(11) This Court erred in applying, as assumed from the granting of the injunction, the rule of comity in view of the appeal to review the finding of the District Court against the manufacturer.

Wherefore the defendant as appellant prays that said injunctive order be reversed.

J. CHESTER JOHNSON,
PLINY N. WILLIAMSON,
Solicitors for Defendant.

TOULMIN & TOULMIN,
Counsel for Defendant.

291 In the District Court of the United States for the Southern
District of New York.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

vs.

JOHN WANAMAKER, NEW YORK, Defendant-appellant.

Citation.

THE UNITED STATES OF AMERICA,
Second Judicial Circuit, ss:

To Meccano, Limited, Greeting:

You are hereby admonished to be and appear at a session of the United States Circuit Court of Appeals for the Second Circuit, to be holden in the City of New York, in said Circuit, on the 9th day of March next, pursuant to an appeal filed in the Clerk's office of the District Court of the United States for the Southern District of New York, wherein you are appellee and John Wanamaker, New York, is appellant, to show cause, if any there be, why the injunctional order entered in this cause in said District Court on the 12th day of January, 1917, and mentioned in said appeal, should not be corrected, any why speedy justice shall not be done to the parties in that behalf.

Given under my hand, in the City of New York, in the District
and Circuit above named this — day of —, in the year of
292 our Lord one thousand nine hundred and seventeen, and of
the Independence of the United States the one hundred and
forty-first.

MANTON,
U. S. District Judge.

Service hereof acknowledged this 9th day of Feb., 1917.

RALPH L. SCOTT,
Solicitor for Complainant.

!

Note re Bond on Appeal.

On February 9, 1917, The National Surety Company issued its bond to Meccano Limited for the sum of \$250 to effect and answer all costs in the present appeal to reverse the injunction order of Judge A. N. Hand.

On the same date, Judge Manton approved the said bond and of the sufficiency of the surety and said bond was thereupon filed with the Clerk of the District Court for the Southern District of New York.

Note re Complainant's Bond.

On January 24, 1917, The National Surety Company issued its bond unto John Wanamaker, New York, for the sum of \$3,000 to pay the defendant whatever damage and cost it may prove it has suffered by reason of the injunction, in case the bill be dismissed, said injunction having been allowed by Judge A. N. Hand.

On the same date Judge A. N. Hand approved the said bond and it was thereupon filed with the Clerk of the District Court for the Southern District of New York.

293 United States Circuit Court of Appeals for the Second Circuit.

JOHN WANAMAKER, NEW YORK, Appellant,

against

MECCANO, LIMITED, Appellee.

Præcipe for Transcript on Appeal.

To the clerk of the District Court of the United States of America for the Southern District of New York:

SIR: You are hereby requested to certify as the Transcript of Record on Appeal of the said District Court in the above entitled cause, the following papers and no others:

Bill of Complaint.

Answer.

Order to show cause for preliminary injunction.

Plaintiff's affidavits:

Guy D. Hills, A. W. Koenig, R. L. Scott with deposition of J. S. Patterson thereto attached, Malcolm McAvoy, Wm. J. Schmitt.

Defendant's affidavits:

F. W. Schaefer, W. D. Marston (3), F. Butthof, Emile Kahrs, John W. Appel, Jr., F. A. Wagner.

294 Plaintiff's rebuttal affidavits:

Reeve Lewis, with attached C. A. L. Massie Affidavit, Plaintiff's Exhibit 80, and attached Plaintiff's Exhibit 109 in Ohio case.

Exhibits filed with bill:

Certified copy of Patent in suit No. 1,079,245. Certified copy of Assignment of Patent.

Hill affidavit.

Exhibits introduced (attached to Hill affidavit):

28. Letter A. M. Toy Co., to H. H. Cook, Oct. 15/12.
29. Letter A. M. Toy Co., to Frank V. Burton, Oct. 12/12.
30. Letter J. C. Brennan to Embossing Co., Dec. 14/12.
31. Letter J. C. Brennan to Embossing Co., Dec. 17/12.
32. Letter J. C. Brennan to Embossing Co., Dec. 19/12.
33. Letter J. Spitz & Son to Embossing Co., Nov. 1/12.
34. Letter J. Spitz & Son to Embossing Co., Nov. 6/12.
35. Letter Embossing Co. to J. Spitz & Son, Nov. 21/12.
36. Letter J. Spitz & Son to Embossing Co., Dec. 3/12.
37. "The Paterson Guardian" of Dec. 18, 1912.
- 295 45. Advertisement A. M. Toy Co. from "Toys and Novelties," October, 1912, issue.
50. Two Certificates of Copyright Registrations.
57. Letter J. Spitz & Son to Embossing Co., Nov. 11/13.
58. The Pantagraph, issue of November —, 1913.
60. The Curtis Publishing Co. letter to Little, Oct. 30, 1913.
67. Page 29, Curtis Co. "Book of Rebates" for 1912.
68. Page 53, Curtis Co. "Book of Rebates" for 1913.
99. Wanamaker Orders of Dec. 20 and 21, 1912.

Scott affidavits.

Exhibits introduced:

Certified copy of Opinion in Ohio Case.
 Certified copy of Decree in Ohio Case.

Defendant's Exhibits:

United States Patents:

135,417.	604,708.
195,689.	707,446.
249,448.	731,309.
262,863.	916,243.
570,688.	1,164,686.

British Patents:

10,040 of 1895.
14,442 of 1895.

296 German Patents:

46,312.
158,854.

Opinion by Judge A. N. Hand.
 Order for Injunction.
 Plaintiff's bond of \$3,000.
 Injunction.

Added by direction of Judge A. N. Hand :

Plaintiff's Interrogations.
Opinion of Judge Hough.
Answers to Interrogations.

Petition for Appeal.
Order allowing Appeal.
Assignment of Errors.
Citation.
Note re Bond on Appeal.
This Precipe.
Stipulation as to correctness of transcript.

It is hereby stipulated that the complete "Record in Ohio Case" and Defendant Exhibit "Ancillary Appeal Record in Ohio Case" may be bound together by Appellant and treated as a physical exhibit, and that appellant is to furnish three copies thereof for the use of the court at the hearing of this appeal.

The foregoing precipe is hereby consented to and approved this 13th day of March, 1917.

J. CHESTER JOHNSON,
PLINY W. WILLIAMSON,
Solicitors for Appellant,
C. A. L. MASSIE,
Of Counsel for Appellee.

So ordered, this 13th day of March, 1917.

AUGUSTUS N. HAND,
U. S. D. J.

297 At a Stated Term of the District Court of the United States for the Southern District of New York, held in the Court Rooms thereof, in the Federal Building, in the Borough of Manhattan and City of New York, this 19th day of March, 1917.

Present: Hon. Augustus N. Hand, United States Judge.

In Equity. No. 14/43.

MECCANO, LIMITED, Plaintiff,

VS.

JOHN WANAMAKER, NEW YORK, Defendant.

Order.

This cause having come on to be heard upon defendant's application for settlement of the precipe on appeal, and plaintiff having then asked that three additional papers be regarded as filed nunc

pro tunc as of Dec. 22, 1916, to wit: plaintiff's interrogatories, Judge Hough's decision thereon, and defendant's answers to said interrogatories—it is this day ordered,

1. That plaintiff's interrogatories, and Judge Hough's decision thereon, and defendant's answers thereto be regarded as filed nunc pro tunc as of the return date of the order to show cause
298 herein why preliminary injunction should not be granted, to wit, Dec. 22, 1916; and

2. That said interrogatories, decision and answers, together with this order, be included in the transcript of record on appeal from the original order granting injunction herein, dated January 12, 1917.

A. N. HAND,

United States Judge.

Approved as to form.

PLINY W. WILLIAMSON,

Solicitor for Defendant.

299 United States District Court, Southern District of New York.

MECCANO, LIMITED, Complainant-Appellee,

VS.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Stipulation.

It is hereby stipulated and agreed, that the foregoing is a true transcript of the record of the said District Court in the above entitled matter as agreed on by the parties.

Dated, April 5, 1917.

J. CHESTER JOHNSON,

PLINY W. WILLIAMSON,

Attorneys for Appellant.

RALPH L. SCOTT,

Attorney for Appellee.

300 UNITED STATES OF AMERICA,

Southern District of New York, ss:

MECCANO, LIMITED, Complainant-Appellee,

VS.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Clerk's Certificate.

I, Alexander Gilchrist, Jr., Clerk of the District Court of the United States of America for the Southern District of New York, do hereby Certify that the foregoing is a correct transcript of the record

of the said District Court in the above-entitled matter as agreed on by the parties.

In testimony whereof, I have caused the seal of the said Court to be hereunto affixed, at the City of New York, in the Southern District of New York, this 5th day of April in the year of our Lord one thousand nine hundred and seventeen and of the Independence of the said United States the one hundred and forty-first.

ALEX. GILCHRIST, JR., *Clerk.*

301 United States Circuit Court of Appeals, Second Circuit.

MECCANO, LIMITED, Complainant-Appellee,

vs.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Notice of Motion.

To H. A. Toulmin, Esq., Pliny W. Williamson, Esq., of Counsel for defendant-appellant:

Please take notice that the attached motion with brief in support, together with a certified copy of the attached opinion and subsequent order of the Court of Appeals, Sixth Circuit, will this day be presented to the Clerk of the Court of Appeals, Second Circuit, with the request that he forthwith transmit the same to the Judges of said last-named Court for consideration.

Notice is also hereby given that the motion will be presented by us orally at the opening of Court, in the Federal Building, Borough of Manhattan, City of New York, on Tuesday, February 5, 1918, or so soon thereafter as counsel can be heard—unless the Court, 302 in the meantime, signify its willingness to entertain said motion without oral argument.

Dated, New York City, January 25, 1918.

Yours truly,

RALPH L. SCOTT,

Of Counsel for Complainant-Appellee.

Service of a copy of the foregoing notice and attached brief with opinion and order, is admitted this 25th day of January, 1918.

(Sgd.)

PLINY W. WILLIAMSON,

Of Counsel for Defendant-Appellant.

303 United States Circuit Court of Appeals, Second Circuit.

MECCANO, LIMITED, Complainant-Appellee,

vs.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Motion for Decision on the Merits.

Now comes Meccano Limited Complainant-Appellee, by its counsel, and, on the attached papers and Brief, and on the Record, Exhibits and Other Papers already before this Court, moves this Honorable Court for decision in favor of Complainant-Appellee upon the merits of this cause, upon the ground that the decision or decree of the United States Circuit Court of Appeals for the Sixth Circuit, in the case of "Meccano, Limited, Plaintiff-Appellee v. Francis A. Wagner (trading as The American Mechanical Toy Co.), and The Strobel & Wilken Co., Defendants-Appellants, No. 2977"—and as to which said Court of Appeals, on or about January 14th 1918, denied Defendants-Appellants' petition for rehearing—is final and conclusive as to the case at bar, under the principles enunciated by the Supreme Court in the various decisions referred to in the accompanying Brief. A copy of the order denying said petition for rehearing is hereto attached.

304 It is further moved that this motion for decision on the merits be considered on the papers and without oral presentation, with permission to Defendant-Appellant to file a Reply Brief, the matters involved having already been presented orally before this Court at the hearing, on January 10th, 1918, on Defendant-Appellant's appeal from the order of the District Court granting preliminary injunction.

Dated, New York City, January 25, 1918.

RALPH L. SCOTT,

Of Counsel for Complainant-Appellee.

305 United States Circuit Court of Appeals, Sixth Circuit.

Nos. 2977 and 3014.

F. A. WAGNER, Trading as the American Mechanical Toy Company,
and THE STROBEL & WILKEN Co., Appellants,

VS.

MECCANO, LIMITED, Appellee.

Appeals from the District Court of the United States for the Southern
District of Ohio, Western Division.

Submitted April 11, 1917.

Decided November 16, 1917.

[Filed November 19, 1917.]

Before Warrington and Knappen, Circuit Judges, and Sanford,
District Judge.

WARRINGTON, *Circuit Judge*:

The Meccano Limited, a British corporation, is engaged in the manufacture and sale of outfits which are adapted to ready and repeated assembling of parts into a variety of mechanical toys; and with each main outfit it supplies a manual of instructions and illustrations for use in building the toys. The corporation brought suit in the court below against Francis A. Wagner, trading as the American Mechanical Toy Company, and against The Strobel & Wilken Company, charging defendants with acts of unfair competition consisting in effect of sales of outfits substantially identical in parts and in appearance, shape and dimensions with those of plaintiff, and accompanied by manuals of instructions in which defendants copied, counterfeited and simulated the appearance and arrangement, illustrations and language, of plaintiff's manuals, particularly those on which copyright registrations had been secured; also with acts of infringement of plaintiff's copyrights, consisting in substance of copying and counterfeiting plaintiff's Meccano Royal Book of Instructions, No. 291,375, June 22, 1911, and Meccano Manual of Instructions, No. 294,670, August 14, 1911; and also with infringement of plaintiff's certain letters-patent. The defendants answered

306 admitting that Wagner, under the trade name mentioned, manufactured outfits known as the "American Model Builder," and that he and his co-defendant sell such outfits accompanied by manuals of instructions; alleging that by reason of anticipation and the prior art the patent sued on is void; and denying the allegations of unfair competition and of infringement alike of the copyrights and patent in suit; and by counterclaim they sought

damages against plaintiff for alleged unfair competition on its part. The case was heard below on its merits, and decree was rendered in favor of Meccano Limited on all the issues, save only as to one feature of certain of the patent claims, with the usual order of injunction and accounting; and the counterclaim was dismissed. Defendants appealed, and will hereafter be referred to as appellants. Subsequently, and before the statement of evidence had been settled in the court below and so before the transcript had been filed in this court, appellants obtained an order here empowering the court below, if it should deem proper, to reopen the case and to receive further evidence, including an alleged newly discovered anticipation of the patent in suit. Later, appellants moved the trial court to certify to this court a request to dismiss the appeal and remand the record, and, upon the granting of such request, to reopen the case, vacate the injunction and decree, and allow a hearing upon the alleged newly discovered evidence. The trial judge regarded the evidence as insufficient to warrant a change of his previously expressed views of the case, and so denied the motion. Appeal was also taken from this order.

The opinion below is reported in 234 Fed. 912, and the facts presented before the first appeal are there considered. We approve the court's conclusion upon the issues joined, except the one in relation to the patent in suit. This patent, No. 1,079,245, was issued by the United States to Frank Hornby, a British subject, November 18, 1913, and on the same day was assigned by him to Meccano Limited. The title selected to indicate the nature and design of the claimed invention is "Perforated Plate," and in the specification the patentee states that he had "invented certain new and useful improvements in perforated plates." He further states:

"This invention relates to improved elements, and combinations of such elements with other elements or parts, to be used in the construction of toys or working models of machinery, structures or similar mechanisms."

The specification also in effect states that there was then an existing system for making up toys from "perforated elements
307 embodying also the use of gear wheels, pulleys, spindles and the like";¹ that the various members were adapted to be assembled and mounted in these perforated parts and connected by bolts and nuts; and that it had been found desirable, in order to secure greater rigidity in the structures and to avoid the use of many small strengthening strips, "to provide perforated flanged parts and angle brackets." And thereupon the specification states:

"The present invention relates to certain forms of perforated sheet

¹The specification does not in terms state the origin of or distinctly describe the "perforated elements" embraced in the existing system so referred to, yet so far as those elements, standard parts, are shown in the drawings or mentioned in the specification they and the method of assembling them were old in the prior toy-building art; Hornby U. S. Patent, No. 810,148, January 16, 1906; von Leistner British Patent, No. 14,442, November 9, 1895; Jeness British Patent, No. 10,040, June 22, 1895; Walters U. S. Patent, No. 262,863, August 15, 1882; Lillenthal German Patent, No. 46,312, April 8, 1888; Wing U. S. Patent, No. 916,243, March 23, 1909; Walther German Patent, No. 153,854, June 4, 1903.

metal elements for use as aforesaid. In all the forms, the plates having perforated flanges, preferably integral, are an essential feature of the invention."

The perforated plates so referred to are illustrated by accompanying drawings; there are two of these plates, Fig. 1 showing in perspective a "sector shaped plate," its width tapering toward one end, and Fig. 4 a "rectangular shaped plate." They consist of sheet metal with apparently integral flanges along their sides and at right angles thereto. The body of the rectangular plate has several rows of perforations equally spaced both ways, and each flange a single row equally spaced and disposed lengthwise of the flange. The body of the sector plate has a single row of perforations extending lengthwise and in the center of the plate, with a similar row transversely disposed near each of its ends, and each flange has a similar row disposed lengthwise—all uniformly spaced. There are still other drawings representing a number of different toys which may be built up by associating one or both of these plates with perforated metal strips, perforated angle brackets, clips, wheels and ropes, and by suitably disposing the parts and fastening them with bolts and nuts. It is to be inferred from the specification and certain of the claims, that the parts thus named, other than the plates, are but a portion of "standard parts" which may be used in combination with the plates. However, no specific parts except only the plates are called for by any of the claims; and hence the standard parts may be safely eliminated from the consideration of the patent except as an undefined class adapted to toy building in combination with the plates. Thus the two plates and their qualities are controlling features as respects the question of patentable invention. There are ten claims and all are in issue. The first eight are each limited to a metal flange plate containing perforations and, except 7 and 8, "adapted for use in the attachment of other parts," while 9 and 10 are combination claims each embracing a perforated plate with a "plurality of other perforated mechanical elements." The differences in claims may for the purpose of this opinion be fairly illustrated by claims 1, 7, 8 and 10 which are copied in the margin.²

"1. A flanged metallic plate for use in the construction of working models, toys or the like, comprising a plate or main body portion, and two flanges extending along said body portion at an angle thereto and each having therein a row of perforations disposed along the same in the direction of the body portion of the plate and adapted for use in the attachment of other parts."

"7. A sheet metal flanged plate for use in the construction of working models, toys or the like, comprising a plate or table having perforations therein, flanges on the longitudinal edges of said plate having perforations therein, all of the perforations being equally pitched."

"8. A sheet metal flanged plate for use in the construction of working models, toys or the like, comprising an elongated plate having its longer edges relatively inclined and provided with a central series of perforations, and transverse series of perforations along its shorter edges, and flanges on the inclined edges of said plate having perforations therein, all of the aforesaid perforations being equally pitched."

"10. The combination, in a working model, toy or the like, of a flanged metallic plate comprising a plate or main body portion with flanges at an angle to said body portion along two opposite edges thereof, said flanges

It is to be observed that some of the claims are broader than others; as, for instance, claims 1 and 10 do not call for any perforations at all in the body portions of their respective plates, though they do in the flanges, while claims 7 and 8 call for perforations in both the body portions and the flanges of their several plates. It is also to be remembered that the object of the perforations is to adapt the plates for use in attachment of other and well known parts. We have then two simple channel plates whose perforations were predetermined by other and standard perforated elements; also a previously known if not an old plan of building up toy structures by the use of perforated elements, in connection with gear wheels, pulleys, spindles and the like; and also a declared purpose to use these perforated channel plates as a means to diminish the number of parts and "to produce greater rigidity in the structures."

We thus come to the question whether there is any disclosure amounting to patentable invention. There are a number of reasons why we think there is not. In the first place, the manual
309 copyrighted by the Meccano Limited in 1910 shows perforated rectangular plates with integral though solid flanges, one of them having also an attached perforated flange (called in the manual an angle bar or girder); and these disclosures were regarded by the learned trial judge as anticipating the patent "so far as the language of the claims is applicable to the rectangular plate" (224 Fed. 924-5). The manual was a prior "printed publication" within the meaning of Sec. 4886 (Rev. Stat. U. S.); and its effect upon the patent in suit is in principle the same as if the manual had been put out by a stranger (*James v. Campbell*, 104 U. S. 356, 382; *Schieble Toy Novelty Co. v. Clark*, 217 Fed. 760, 766—C. C. A. 6). Further, as pointed out in the opinion below, the rectangular plate in issue finds close analogy in the perforated rectangular blocks shown in the patent to Quackenbush, September 25, 1877, No. 195,689. That patent, it is true, was for an improvement in wooden toy-building blocks associated with wheels, spindles and the like; but the idea of a change from wood to metal in adapting old elements to other structures in order as here to make them more rigid is well within the scope of mechanical skill (*Wise Soda Fountain Co. v. Bishop-Babcock-Becker*, 240 Fed. 733, 736 and citations—C. C. A. 6); besides, the use of perforated metal parts in the construction of toys was at the date of the patent in suit well known to the patentee, Hornby, through his earlier U. S. Patent, January 16, 1906, No. 810,148.

In the next place, the sector plate in issue can not be differentiated from the rectangular plate save only in its shape; and this difference is not enough to conceal the obvious identity in functions of the two plates. Since the declared object in effect was to substitute these plates for old and standard parts in order to make the toy structures

having therein a series of perforations extending in the direction of the body portion of the plate, one or a plurality of other perforated mechanical elements, the perforations in said element or elements and in the flanges being equally pitched, and means engaging perforations in said element or elements and said flanged plate for fastening the parts together."

more rigid, it is perfectly plain that the nature of the old structures themselves would suggest to the skilled mechanic the shape as well as the use of contrivances calculated to strengthen them. Further, the prior art in toy building is replete with shapes and forms adapted to the erection of many varieties of toys; and Burton in his patent, No. 604,708, May 24, 1898, shows sector blocks for toy arch building; while Annin's patent, No. 305,879, September 30, 1884, discloses a sector-shaped bottom for the tray of his wheelbarrow; Annin's construction it is true was not a toy; but there is striking resemblance between the sector-shaped bottom of his invention and the bottom of a toy wheelbarrow which is represented by one of the drawings accompanying the present patent in suit. And it is
310 more than a year and a half prior to his application for the patent in suit, Hornby applied for design patents on both his sector plate and rectangular plate, and the respective plates there shown are the same as those represented in the present drawings. Both applications were denied on the grounds in substance that they were devoid of artistic merit and that they also failed to present anything patentably novel over the state of the art as shown by the examiner's citations; these citations however do not appear in the present record. Although efforts were made to overcome the objections of the examiner, yet they failed and nothing further appears to have been done.

It results that the present patentee has substituted one toy element that was old and another that was plainly its mechanical equivalent, if not itself old, for perforated parts of a previously existing system of toy-building, and with the view of reducing the number of parts and making the structure more rigid; moreover, the employment of perforations and disposing them involved only the detail of providing openings in the plates that would register with existing perforations contained in "standard parts" of the structures so sought to be strengthened; we can not think this was anything more than mechanical skill. It may be that firmer toy-building was thus obtained; but this was not to accomplish a new result within any accepted meaning of invention (*Lemley v. Dobson-Evans Co.*, 243 Fed. 391, 398—C. C. A. 6); indeed, whether the substituted parts, with their adaptation to other and old parts, be considered by themselves or in combination with "one or a plurality of other perforated mechanical elements," for example as stated in claim 10, this was a mere carrying forward of the original idea, a change in form, an improvement in degree, without substantial change in either means or result, and so was not invention (*Market Street Railway Co. v. Rowley*, 155 U. S. 621, 629; *Railroad Supply Co. v. Elyria Iron Co.*, 244 U. S. 285, 292; *Star Hame Mfg. Co. v. United States Hame Co.*, 227 Fed. 876, 883 and citations—C. C. A. 6). This is not to overlook the insistence for appellee that it was invention to convert the rectangular plate with a perforated flange mechanically attached into a single structure. It is however settled that simply to unite two parts into an integral construction does not constitute invention (*Howard v. Detroit Stove Works*, 150 U. S. 164, 170; *Standard*

Caster & Wheel Co. v. Caster Socket Co., 113 Fed. 162, 166—C. C. A. 6; and this principle is especially applicable here since the two parts so converted into a unitary structure could have no different relation to each other, or to other perforated parts with which they might be combined in toy-building, from that which they bore when they were simply mechanically attached (Gould & Eberhardt v. Cincinnati Shaper Co., 194 Fed. 680, 685-6—C. C. A. 6; Sheffield Car Co. v. D'Arcy, *Id.* 686, 692—C. C. A. 6; D'Arcy v. Staples & Hanford Co., 161 Fed. 733, 742—C. C. A. 6). It must follow that the patent is void because of the lack of invention.

A question of costs remains under the first appeal. A judgment was entered against appellants and in favor of appellee for \$470.26, as costs fixed by the court under equity rule 58, to reimburse appellee for expenses incurred in obtaining the depositions of two witnesses. Appellee called on appellants to admit in writing the execution and genuineness of certain documents to be used in evidence in appellee's behalf. Appellants' counsel declined to make any admission within the time prescribed by the rule. Later, however, they notified appellee's counsel by telegram that they would "stipulate the Read incident when we meet in Marietta, Tuesday," where one of the depositions was to be taken. Answer by telegram was made to this, stating that all arrangements had been "made and considerable expense incurred," and declining to accept stipulation except on appellants' payment of full expenses to date. No response was made to this telegram. Counsel for both sides met later at Marietta, Ohio, and obtained the deposition of one of the witnesses; and it is to be inferred from the record that at the close of the deposition counsel for appellee stated, apparently in the presence of opposing counsel, that "as no reply has been received to the telegram just quoted (the last telegram above alluded to), the taking of depositions on behalf of complainant (appellee) is now adjourned to be resumed * * * at Bloomington, Ill. * * *." It is insisted for appellants that appellee was in possession or control of the documents, that they were provable in the ordinary course of procedure, that certain of the letters had theretofore been proved and introduced into the case, and consequently that rule 58 did not apply. We think the applicable portion of the rule is the last paragraph; and appellants' failure to respond to appellee's offer to accept payment of the expenses then incurred seemingly justified the course pursued by the latter. The decisions relied on by appellants appear to relate to other portions of the rule. Our attention has not been called to a decision construing the last paragraph; and yet similar provisions and the course pursued under them are familiar to practitioners. It is a general principle, apart from rule 58, that the taxing of costs in equity cases is within the sound discretion of the court (*Du Bois v. Kirk*, 158 U. S. 58, 67); and upon the facts here disclosed we find no abuse of discretion on the part of the trial court in this matter.

As to the evidence offered upon the second appeal, the court seems to have considered it with reference to the facts involved under the

first appeal and the opinion rendered thereon; and, as before pointed out, the court concluded that the newly discovered facts were not sufficient to warrant a change in its previously expressed views of the case. It is argued that this evidence renders untenable the conclusion upon the issue of unfair competition. It might be conceded that portions of the new evidence would require modification of some of the views expressed in the court's opinion on that issue, as, for instance, the origin of parts of the business system said to have been first introduced by Hornby, but this would not affect the soundness of the conclusion reached upon such issue. Appellants do not seem to appreciate the true effect of other features of the evidence upon which the court evidently rested this conclusion (234 Fed. at pp. 917 and 919). And although the two von Leistner U. S. patents, the first, No. 525,221, August 28, 1894, and the second, No. 543,580, July 30, 1895, constitute part of the new evidence, yet they could affect in material degree only the patent in suit and so are not important in view of our ruling upon the patent. Hence we can not say that the evidence considered as a whole does not fairly sustain the conclusion reached below upon the issue of unfair competition.

It results that the decree in No. 2977 must be reversed so far as it adjudges the patent in suit to be valid or is otherwise dependent on that ruling; that the decree in No. 3014 will be affirmed; that both causes be remanded with direction to enter in the suit from which these appeals were taken a single decree not inconsistent with this opinion.

A true copy.

Attest:

[SEAL.]

W. C. COCHRAN,

*Clerk of U. S. Circuit Court of Appeals
for the 6th Circuit.*

Reeve Lewis, Ralph L. Scott, of Counsel for Plaintiff-Appellee.

313 United States Circuit Court of Appeals, Sixth Circuit.

No. 2977 and 3014.

F. A. WAGNER, Trading as the American Mechanical Toy Co., and
THE STROBEL & WILKEN Co., Appellants,

vs.

MECCANO, LIMITED, Appellee.

Rehearing Petition for Certain Instructions.

Now comes the defendant, F. A. Wagner, acting for himself and his co-defendant, The Strobel & Wilken Co., and respectfully asks

this Honorable Court to give defendants certain instructions regarding the extent of the reversal of the lower court.

In this Court's opinion it says:

(1) "We approve the court's conclusion upon the issues joined, except the one in relation to the patent in suit." (P. 2 of opinion.)

Then the opinion of this Court concludes:

(2) "It results that the decree in No. 2977 must be reversed so far as it adjudges the patent in suit to be valid or is otherwise dependent on that ruling."

314 (3) The statement—"or is otherwise dependent on that ruling," would seem to direct that, to the extent that the action of the lower court in sustaining the charge of unfair competition was dependent on the validity of the patent in suit, such action be reversed.

(4) This we deem to be the effect of the reversal because the Supreme Court has settled that when a patent has ceased to run the public may make the exact apparatus it covered, as that apparatus was manufactured by the patentee, and also use the trade name by which it had been known, provided only that the subsequent maker so marks the apparatus as to show that it is his make. (*Singer v. June*, 163 U. S., 169.)

We assume, but are uncertain, that the lower court's decree as to unfair competition is reversed to the extent that it is dependent on the validity of the patent.

(5) The monopoly of the patent having come to an end by the decree of this Court, these defendants have the right to make the device formerly covered by the patent, under this *Singer* case. This, and the direction of this Court that the decree below is reversed to the extent that it is dependent on the ruling of the lower court that the patent was valid, would seem to automatically reverse the finding of unfair competition as far as the mechanical structure is concerned.

(6) But defendants are in doubt, and, therefore, ask this Court to give specific directions under the controlling rule settled
315 in the *Singer* case. We wish to have the lower court enter its decree in accordance with the *Singer* case and the direction of this Court in the clause "or is otherwise dependent on that ruling."

Respectfully submitted,

H. A. TOULMIN,
H. A. TOULMIN, JR.,
Counsel for Appellants.

I hereby certify, as a counselor admitted to practice before this Honorable Court, that, in my opinion, the foregoing petition is well and truly founded, both in fact and law.

(Signed)

H. A. TOULMIN,
Counsel for Appellants.

December 13th, 1917.

316 United States Circuit Court of Appeals, Sixth Circuit.

Nos. 2977 and 3014.

F. A. WAGNER, Trading as the American Mechanical Toy Co., and
THE STROBEL & WILKEN Co., Appellants,

VS.

MECCANO, LIMITED, Appellee.

In the Matter of Rehearing Petition for Certain Instructions.

Ordered, that appellants "rehearing petition" for "instructions regarding the extent of the reversal of the lower court" is denied; no instructions are necessary, since the opinion approves the conclusions reached below upon the issues shown, except the one in relation to patent in suit, and the patent in suit describes the two perforated plates as its only features of patentable novelty. Hence no perceptible difficulty can arise from the adjudged invalidity of the patent; in principle the situation here does not differ from the one involved in *Samson Cordage Works v. Puritan Cordage Mills*, 211 Fed., 603, 605, 608, et seq., C. C. A., 6, where the trade mark claimed was held invalid while the charge of unfair competition was sustained; see also *Saalfeld Pub. Co. v. G. and C. Merriman Co.*, 238 Fed., 1, 10, C. C. A., 6.

WARRINGTON, C. J.

1/14/18.

317 At a Stated Term of the District Court of the United States for the Southern District of Ohio, Western Division, Held in the Court-room Thereof, in the Federal Building, in the City of Cincinnati, State of Ohio, This 11th Day of February, 1918.

Present: Hon. Howard C. Hollister, United States District Judge.

No. 23.

MECCANO, LIMITED, Complainant,

VS.

FRANCIS A. WAGNER (Trading as the American Mechanical Toy Company) and THE STROBEL & WILKEN COMPANY, Defendants.

Decree.

This cause came on to be further heard at this Term, upon the Mandate of the Circuit Court of Appeals for the Sixth Circuit, and the Order thereon, and was argued by counsel; and thereupon, upon consideration thereof, it was

Ordered, adjudged and decreed as follows, viz.:

(1) That at the time of the filing of the Bill of Complaint herein Meccano Limited, the complainant, was and now is an alien, 318 being a subject of the Kingdom of Great Britain and a corporation existing under the laws thereof, and is entitled to maintain this suit; and that the defendant Francis A. Wagner (trading as The American Mechanical Toy Company) was and now is a resident of the City of Dayton, and a citizen of the Western Division of the Southern District of Ohio; and that the defendant The Strobel & Wilken Company was and now is an Ohio corporation and a citizen of the Western Division of the Southern District of Ohio, all as alleged in the Bill; and that the subject-matter here in controversy, exclusive of interest and costs, exceeds the sum or value of three thousand dollars (\$3,000).

(2) That Meccano Limited, the complainant, was and now is the sole and exclusive owner of a model-builder or toy known by the trade-name "Meccano," and has the sole and exclusive property right in and to the business system involved in the sale and distribution of said model-builder and the outfits and separate units or parts thereof, all as alleged in the Bill.

(3) That the Bill of Complaint be and it hereby is dismissed in so far as it relates to the Hornby patent No. 1,079,245.

(4) That Meccano Limited, the complainant, is the sole and exclusive proprietor and owner of Registered Copyright No. 291,375, dated June 22, 1911, for "Meccano Royal * * * Book of Instructions," and of Registered Copyright No. 294,670, dated August 14, 1911, for "Meccano * * * Manual of Instructions for the Whole Series of Models," and that each of said Copyright Registrations is good and valid in law.

(5) That Francis A. Wagner and The Strobel & Wilken Company, the defendants, both jointly and severally, and well knowing the premises, have been guilty of unfair competition with complainant, and have infringed upon said Registered Copyrights Nos. 291,375 and 294,670, by publishing and distributing defendants' 1912 manuals,—but no finding is made with respect to any other manuals or publications of defendants, and the hereinafter named 319 Master is directed to ascertain whether there were any other infringing manuals or publications, and, if so, the extent thereof.

(6) That a perpetual injunction issue out of and under the seal of this court, directed to the said Francis A. Wagner and The Strobel & Wilken Company, perpetually enjoining and restraining them, and each of them, and their respective associates, assigns, attorneys, successors, servants, clerks, agents and workmen, and each and every one of them, from directly or indirectly competing unfairly with Meccano Limited, the complainant,—by making or causing to be made, selling, offering for sale, or causing to be sold, or using or causing to be used, any model-builder or toy outfit such as the "American Model Builder," or any individual parts or units such as contained in said outfits, and any book or manual of instruction such as included with said American Model Builder outfits or otherwise distributed and disseminated,—or by copying or imitating any Mec-

cano trade-circular, advertisement, or other printed matter,—or by imitating the boxes and containers of Meccano outfits, or the arrangements of the contents therein, the show-case exhibits of separate parts,—or by otherwise copying, counterfeiting and imitating complainant's products considered in this case,—or by putting out outfits or units capable of being palmed off and intended by said defendants to be palmed off in place of Meccano outfits and units,—or by otherwise using and invading complainant's business system; from directly or indirectly infringing complainant's Registered Copyrights No. 291,375 and 294,670, or either of them, by printing, reprinting, publishing, copying or vending, or by causing to be printed, reprinted, published, copied or vended, any of the aforesaid books, manuals, or circulars, which have been included with said American Model Builder outfits or otherwise distributed or disseminated; and from otherwise committing any acts whatsoever in violation of complainant's exclusive rights in the premises.

320 (7) That the complainant do recover from the defendants all the profits and gains which said defendants, and each of them, have derived, received or made from their infringement aforesaid of complainant's exclusive rights under the aforesaid Registered Copyrights Nos. 291,375 and 294,670, or either of them; and all such damages as complainant has suffered because of said infringement; and complainant's motion that in lieu of actual damages and profits the court, in its discretion, allow One Dollar (\$1.00) for every infringing copy made or sold by or found in the possession of the defendants, or either of them, and their respective agents and employees, is hereby granted with respect to all manuals put out by defendants prior to receipt (by defendant Wagner on November 2, 1912, and by defendant The Strobel & Wilken Co. on November 13, 1912), of actual notice of infringement, and the damages to complainant by reason of copyright infringement prior to said dates of actual notice are hereby assessed at Five Thousand Dollars (\$5,000), and judgment may forthwith be entered against said defendants, and in favor of complainant, Meccano Limited, for said Five Thousand Dollars (\$5,000), and execution therefor is awarded; and the Master herein is accordingly directed to confine the accounting for copyright infringement to manuals and publications distributed subsequent to said dates of actual notice, and decision on complainant's said motion for assessment of damages with relation thereto, in lieu of actual profits and damages, is reserved until the coming in of the Master's Report.

(8) That Reeve Lewis, Esq., and Ralph L. Scott, Esq., counsel for complainant herein, be and they hereby are allowed and awarded the sum of Three Thousand Dollars (\$3,000), as a reasonable attorney's fee in connection with the said manuals distributed by defendants prior to the aforesaid dates of receipt of actual notice, which sum defendants are ordered to pay, and judgment may forthwith be entered against the defendants, Francis A. Wagner and The Strobel
321 & Wilken Company, and in favor of said Lewis and Scott, for said Three Thousand Dollars (\$3,000), and execution therefor is awarded; and decision on the motion for an attorney's fee in

connection with manuals and publications distributed subsequent to said dates of actual notice, is reserved until the coming in of the Master's Report.

(8½) That upon the giving of a bond, within ten days from the date hereof, to be approved by the court, in the sum of Ten Thousand Dollars (\$10,000), to secure payment of said sum of Three Thousand Dollars (\$3,000) awarded in Paragraph 8 to said Lewis and Scott, and the sum of Five Thousand Dollars (\$5,000) awarded in Paragraph 7 to the complainant, Meccano Limited, the payment of said sums shall be superseded pending the entry of final decree herein.

(9) That the complainant do recover from the defendants all the profits and gains which said defendants, and each of them, have derived, received or made from their unlawful competition aforesaid with complainant, and from their violation thereby of complainant's exclusive property rights; and such damages as complainant has suffered because of said unfair competition and violation of its rights; but the decision upon complainant's motion that exemplary damages be imposed upon each defendant and awarded to complainant, in the sum three times the amount of actual damages found to have been sustained, is reserved until the coming in of the Master's Report.

(10) That this cause be referred to Oliver S. Bryant, hereby appointed Special Master in Chancery herein,—upon the evidence already taken and the exhibits in evidence in this case, and such further evidence and exhibits as may be offered before the Master by the parties to this cause—to ascertain, take, state and report to this court, with all convenient speed, by separate statements with reference to each defendant, an account of said profits and gains, and to assess said damages; and the Master is hereby clothed with the usual

and necessary powers of Masters in accountings in copyright
322 and unfair competition causes, including full authority to compel the attendance of the defendants, and each of them, and their employees, agents, representatives, etc., to compel the production of books and other documents, and to examine any and all witnesses ore tenus and otherwise.

(11) That the complainant do recover from the defendants, Francis A. Wagner and The Strobel & Wilken Company, either jointly or severally, its costs herein to be taxed by the Clerk of this Court.

(12) That defendants' counterclaim herein be and the same hereby is dismissed, with costs.

(13) That the judgment entered against the defendants, Francis A. Wagner and The Strobel & Wilken Company, in favor of complainant, Meccano Limited, for the sum of Four Hundred Seventy and 26/100 Dollars (\$470.26), the amount of costs fixed by the Court under Equity Rule 58 to reimburse the complainant for expenses in connection with the Read and Brennan depositions, having been affirmed by said Court of Appeals, and said judgment having been satisfied by said defendants, there shall be no further costs taxable in connection with said depositions other than the usual deposition and witness fees to complainant not included in said \$470.26.

(14) That defendants motion to reopen the cause and take ad-

ditional evidence be, and the same hereby is, in all respects denied.

(15) That the defendants, and each of them, their respective associates, assigns, attorneys, successors, servants, clerks, agents and workmen, and each and every one of them, are hereby required forthwith to deliver up to the Marshal of this Court (a) any and all American Model Builder or other model builder or toy outfits, (b) any and all separate parts or units such as contained in said outfits, (c) and any and all boxes or containers for such outfits, (d) any and all show-cases for the separate parts, (e) any and all Books or Manuals or Instructions, and other printed matter,—such as adjudged and heretofore decreed to be in violation of complainant's Registered copyrights, and to be involved in defendants' unfair competition with complainant's business and rights,—and which are now in the possession of, or within the control of, the defendants, and each of them; and the said Marshal is hereby directed to destroy the same within thirty days after obtaining custody thereof.

(16) That the determination of all other questions await the coming in of the Master's Report, and the Court's conclusions thereon.

(Signed)

HOLLISTER,

United States District Judge.

THE UNITED STATES OF AMERICA,

Southern District of Ohio, Western Division, ss:

I, B. E. Dilley, Clerk of the District Court of the United States within and for the District and Division aforesaid, do hereby certify that the foregoing is a true and correct copy of the original Decree entered February 11th, 1918, as the same appears on file and record in the office of the Clerk of said Court, in the therein entitled cause.

In testimony whereof, I have hereunto subscribed my name and affixed the seal of said Court, in the City of Cincinnati, Ohio, this 11th day of February, A. D. 1918.

[SEAL.] (Sgd.)

(Sgd.)

B. E. DILLEY, *Clerk,*

By HARRY F. RABE, *Deputy.*

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Writ of Injunction.

THE UNITED STATES OF AMERICA,

Southern District of Ohio, Western Division, ss:

The President of the United States of America to Francis A. Wagner and the Strobel & Wilken Company, and each of you, and your respective associates, assigns, attorneys, successors, servants, clerks, agents and workmen, and each and every of you Greeting:

Whereas, it has been represented to us in our District Court of the United States for the Southern District of Ohio, Western Division, that, Mecanno Limited, a corporation existing under the laws of

Great Britain, is the sole and exclusive owner of a model-builder or toy known by the trade name "Meccano," and is the sole and exclusive owner of all right in the business system involved in the sale and distribution of said model-builder and the outfits and separate units or parts thereof, and of the manuals and other publications put out in connection therewith, all as alleged in the Bill,—and is the sole and exclusive proprietor and owner of Registered Copyright No. 291,375, dated June 22, 1911, for "Meccano Royal * * * Book of Instructions," and of Registered Copyright No. 294,670, dated August 14, 1911, for "Meccano * * * Manual of Instructions for the Whole Series of Models," and that each of said Copyright Registrations is good and valid in law; and that you, the said Francis A. Wagner and the said The Strobel & Wilken Company, and each of you, have been guilty of unfair competition with said Meccano Limited, and have infringed upon said Registered Copyrights, No. 291,375 and No. 294,670, and have violated the rights of Meccano Limited in the premises by the exploitation and sale of a model-builder or toy known by the trade-name "American Model Builder," by the sale and distribution of separate parts or units thereof, and by the publishing and distributing of American Model Builder Manuals, and by causing the afore-said acts to be done;

Now, therefore, we do strictly command and perpetually enjoin and restrain you, the said Francis A. Wagner and The Strobel & Wilken Company, and each of you, and your respective associates, assigns, attorneys, successors, servants, clerks, agents and workmen, and each and every one of you, from directly or indirectly competing unfairly with Meccano Limited, by making or causing to be made, selling, offering for sale, or causing to be sold, or using or causing to be used, any model-builder or toy outfit such as the "American Model Builder," or any individual parts or units such as contained in said outfits, and any book or manual of instruction such as included with said American Model Builder outfits or otherwise distributed and disseminated,—or by copying or imitating any Meccano trade-circular, advertisement, or other printed matter,—or by imitating the boxes and containers of Meccano outfits, or the arrangement of the contents therein, the show-case exhibits of separate parts,—or by otherwise copying, counterfeiting and imitating products of Meccano Limited,—or by putting out outfits or units capable of being palmed off and intended to be palmed off in place of Meccano outfits and units,—or by otherwise using and invading the business system of Meccano Limited; from directly or indirectly infringing said Registered Copyrights No. 291,375 and No. 294,670, or either of them, by printing, reprinting, publishing, copying, or vending, or by causing to be printed, reprinted, published, copied, or vended, the 1912 manuals of defendants, or circulars, which have been included with said American Model Builder outfits or otherwise distributed or disseminated; and from otherwise committing any acts whatsoever in violation of the exclusive rights of Meccano Limited in the premises.

Hereof fail not, under the penalty of the law thence ensuing.

Witness, the Honorable Howard C. Hollister, District
326 Judge of the United States, this 11th day of February, A. D.
1918, and in the 142nd year of the Independence of the
United States of America.

[SEAL.]

B. E. DILLEY,
Clerk U. S. District Court, Southern
District of Ohio, Western Division,
By HARRY F. RABE, *Deputy.*

[Served by United States Marshal on Francis A. Wagner, The
American Mechanical Toy Company, and The Strobel & Wilken
Company.]

327 *Opinion.*

United States Circuit Court of Appeals for the Second Circuit.

No. 40, October Term, 1917.

Motion Argued February 5, 1918. Decided March 24, 1918.

MECCANO, LIMITED, Complainant-Appellee,

v.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Appeal from the District Court of the United States for the Southern
District of New York.

Before Rogers, Circuit Judge, and Learned Hand and Mayer, District
Judges.

This was a motion for a "decision on the merits of this cause" by
this court under the following circumstances. A suit was brought in
the District Court for the Southern District of New York for an in-
junction for infringement of a copyright, and of a patent, and for
unfair competition in the manufacture of a mechanical toy in abso-
lute imitation of the plaintiff's. The plaintiff applied for and got
an injunction pendente lite, from which the defendant appealed.
That appeal is still pending undetermined in this court. Meanwhile
the plaintiff had in the District Court required the defendant to
answer certain interrogatories by which it appeared that the
328 defendant procured from one Wagner, the toys which it sold
in alleged unfair competition and in violation of the patent,
and also the "manuals" which went with the toys and explained their
uses, which are alleged to infringe the copyright. The interrogato-
ries further showed that Wagner had agreed to hold the defendant
harmless for any sales of the toys and manuals, and that in pursu-
ance of that undertaking he had taken a share in the defense of this
suit. While it did not appear exactly what that share was, it may

be assumed for the purposes of the motion only, that Wagner has assumed the chief conduct of the case and that the defendant remains only formally represented.

The plaintiff sued Wagner in Ohio upon the three same causes of equity and obtained a decree upon all. Later an appeal was taken to the Circuit Court of Appeals for the Sixth Circuit and the decree was affirmed except as to the patent, which was declared invalid and which the plaintiff has now withdrawn from this suit. No final decree has been entered and the Ohio cause now stands for an accounting in the district court. This motion is upon the record in the Ohio suit which is made a part of the moving papers and it presupposes that this court may pass a final decree for the plaintiff upon the appeal from the injunction *pendente lite* upon the assumption that that record is a complete estoppel against the defendant here and leaves open no issues for determination between the parties.

Reeve Lewis, C. A. L. Massie and Ralph L. Scott, for the motion.
H. A. Toulmin, Opposed.

329 LEARNED HAND, D. J.:

We pass the question of practice whether this court under the doctrine of *Mast, Foos & Co. v. Stover*, 177 U. S., 488, may enter a decree for the plaintiff upon such an appeal as that now pending. *Mast, Foos & Co. v. Stover*, *supra*, was a case where the bill was dismissed and no case has so far held that the plaintiff could obtain an affirmative decree. As we think the motion must be denied upon the merits, we leave open the question whether the plaintiff may in any event so terminate the litigation.

We further disregard the objection that the Ohio decree is still only interlocutory and therefore under general principles cannot in any event constitute an estoppel. How far this rule may be changed when there has been a decision upon an appeal from such a decree, and the cause has been remanded to the district court, we do not say. The reason for the rule limiting the conclusiveness of interlocutory decrees does not apply, i. e., that the decree still remains in *gremio*, since the district court has no longer any power to modify so much as has been affirmed by the Circuit Court of Appeals. For the purposes of this motion, we may assume that in so far as concerns the matters before the Circuit Court of Appeals, the issues have been finally and conclusively determined.

Nor again, do we consider how far the effect of that decree may be to entitle the plaintiff to an injunction against the defendant against selling any of the toys or manuals which it may buy from Wagner. This is a question which will arise upon the appeal from the injunction *pendente lite*, and need not depend in any sense upon the estoppel of the defendant by that decree. It might, for example, be held under an extension of the doctrine of *Kessler v. Eldred*, 206 U. S., 285, that the purchase of toys and manuals from Wagner, which he had been enjoined from selling, if not in actual contempt of that decree, was at least in deroga-

tion of the plaintiff's rights established thereby, and thus a tort against it, regardless of the defendant's personal right to sell toys and manuals if bought from others or to manufacture them itself and sell them without the co-operation of Wagner. What we have before us is whether, conceding all this, the plaintiff has established, or can establish, in the Ohio suit, any estoppel which will generally conclude the defendant upon all the issues raised between itself and the plaintiff by the pleadings in this suit.

We think it clear that that decree cannot have any such effect, and Judge Ray so ruled in *Van Epps v. International, etc., Co.*, 124 Fed. R., 542. The cases which generally come up are those in which in the first suit the manufacturer has intervened to protect the customer, and it has been held that the decree then entered will be a good estoppel in the second suit instituted against him individually. We may assume that Wagner's intervention here is of such a kind as would create a good estoppel against him in any subsequent case. The case at bar, however, is exactly the reverse, and unless all the issues are the same in each case, we should not dispose of the suit in this summary manner. It is apparent that some of the issues are different from those litigated in Ohio; they involve not only the

defendant's rights to sell Wagner's toys and manuals, but any
331 others which it may procure elsewhere. We have no right to assume, because the defendant allows Wagner to have the chief conduct of the defense, that it has abandoned all rights except that of getting the toys and manuals from him. While we do not hold that the decree is an estoppel, taken strictly, even as to those toys and manuals, we may even suppose that, Wagner having now intervened, it is such. Still it would make no difference in the result of this motion, unless the issues here litigated were coextensive with the issues litigated in the Ohio suit.

At best the rule in *Mast, Foos & Co. v. Stover*, supra, is limited to those cases in which the court can see that the whole issues can be disposed of at once without injustice to the parties. Whatever may be the result here, it is apparent that the case involves more than can be so decided.

The motion is denied.

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Petition for Writ of Mandamus.

United States Circuit Court of Appeals for the Sixth Circuit.

No. 3151.

In the Matter of the Application of F. A. WAGNER, etc., et al., for Writ of Mandamus against Hon. Howard C. Hollister, U. S. District Judge, etc., and the District Court of the United States for the Southern District of Ohio.

A petition for writ of mandamus directed to Hon. Howard C. Hollister having been previously filed and docketed, as required by the rules of this court:

It is now here ordered that the respondent show cause, if any, on or before April 15, 1918, why a writ of mandamus should not issue herein as prayed.

It is further ordered that a certified copy of this entry be furnished the respondent forthwith.

333 United States Circuit Court of Appeals for the Sixth Circuit.

I, William C. Cochran, Clerk of the United States Circuit Court of Appeals for the Sixth Circuit, do hereby certify that the foregoing is a true and correct copy of the order to show cause, etc., entered March 15th, 1918, in the Matter of the Application of F. A. Wagner, etc., et al., for Writ of Mandamus against Hon. Howard C. Hollister, etc., No. 3151, as the same remains upon the files and records of said United States Circuit Court of Appeals for the Sixth Circuit, and of the whole thereof.

In testimony whereof, I have hereunto subscribed my name, and affixed the seal of said Court at the City of Cincinnati, Ohio, this 16th day of March, A. D., 1918.

[SEAL.]

WILLIAM C. COCHRAN,
*Clerk of the United States Circuit Court of
Appeals for the Sixth Circuit.*

334 *Order Denying Motion for Decision on Merits.*

At a Stated Term of the United States Circuit Court of Appeals for the Second Circuit, Held at the Court-rooms, in the Post Office Building, City of New York, on the 24th Day of March, 1918.

Present: Hon. Henry Wade Rogers, Circuit Judge,
" Learned Hand,
" Julius M. Mayer,
District Judges.

MECCANO, LIMITED, Complainant-Appellee,

v.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

A motion having been made herein by counsel for the appellee for a decision on the merits;

Upon consideration thereof it is

Ordered that said motion be and hereby is denied.

H. W. R.

L. H.

[Endorsed:] United States Circuit Court of Appeals, Second Circuit. Filed March 25, 1918. William Parkin, Clerk.

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Opinion.

United States Circuit Court of Appeals for the Second Circuit.

No. 40, October Term, 1917.

Argued January 10, 1918. Decided April 15, 1918.

MECCANO, LIMITED, Complainant-Appellee,

v.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Appeal from the District Court of the United States for the Southern District of New York.

Before Ward and Rogers, Circuit Judges, and Learned Hand, District Judge.

Ralph L. Scott, for Complainant-Appellee; Reeve Lewis, of Counsel.

J. Chester Johnson and Pliny W. Williamson, for Defendant-Appellant; H. A. Toulmin, of Counsel.

WARD, *Circuit Judge*:

The bill in this case charges the defendant, which is a seller only, first with infringement of U. S. Letters Patent No. 1,079,245 for perforated plates to be used in constructing working models in toys; 336 second, for infringement of the manuals of instruction as to making toys out of the perforated plates in connection with angle pieces, wheels and fastening devices, sold with each outfit copyrighted, one on June 22 and the other on August 14, 1911; third, with unfair competition in connection with the sale of the American Model Builder outfits.

A similar bill was filed in the Western Division of the Southern District of Ohio against the manufacturer of the American Builder outfit and its eastern sales agents who supplied the present defendant with it. It was so proceeded in that case that the patent was held valid and infringed, the copyrighted manuals infringed and the defendant guilty of unfair competition. The opinion is reported in 234 Fed. Rep., 912.

The District Judge, following very naturally the adjudication of the District Court in Ohio, granted a preliminary injunction and this is an appeal from that order.

Upon appeal to the Circuit Court of Appeals in the Ohio case the decree was reversed so far as it held the patent valid and affirmed as to copyright infringement and unfair competition. It is reported in 246 Fed. Rep., 603.

We concur fully with the opinion of the Circuit Court of Appeals

for the Sixth Circuit as to the invalidity of the patent and think it unnecessary to do more than to refer to it on that point.

To justify a preliminary injunction on the other grounds the case ought to be very clear. *Wright Co. v. Herring-Curtiss Co.*, 180 Fed. Rep., 110. Upon the question of copyright infringement and
337 unfair competition, we think the case not clear. The District Judge said:

"I do not think the books containing plates or the covers or other ornamentation of the catalogues of the defendant are sufficiently similar to those of the complainant to mislead the public but the appearance of the plates themselves and the system of construction have been so deliberately taken from the complainant that they are misleading and come with- the decisions of *Enterprise Co. v. Landers*, 131 F. R., 240; *Yale & Towne Co. v. Alder*, 154 F. R., 37; *Rushmore v. Manhattan Works*, 163 F. R., 939; *Prest-O-Lite Co. v. Davis*, 215 F. R., 349."

The complainant cannot obtain a monopoly for all time of perforated plates of the lengths having equi-distant holes and intervening spaces which it first used. These are functional features of the units of construction which anyone is at liberty to use. Of course it cannot claim a monopoly of constructing the particular models or toys which it has made, as for example, wheelbarrows, bridges, cranes, Ferries wheels, trucks, etc.

Assuming that the public associates plates of this description with the complainant as a source and that there is likely to be confusion because of similarity of the outfits, it is a question whether it is entitled within the decision of the Supreme Court in *Singer Co. v. June*, 163 U. S., 169, to more protection than that outfits made by others should be advertised and sold as the product of the makers under names and in packages which do not simulate the complainant's.

This is true of the outfits which the defendant sells. The
338 name of the complainant's is "Meccano" and of those sold by the defendant "American Model Builder." They are advertised as made by the American Mechanical Toy Company and sold in dissimilar packages.

So in the nature of things the constructing elements and the things constructed being the same, the plates illustrating them and the instructions contained in the manuals furnished with the two outfits must be more or less alike. All that should be required of other makers is to do independent work.

When it comes to the charge of actually palming off, the evidence is sufficient to justify a preliminary injunction. The defendant has of course the right to sell as much as it can of the outfit which gives it the greatest profit and to press that outfit upon its customers as against the other. The testimony of Paterson, one of the defendant's employees in Philadelphia, on which the complainant relies, goes no further than this. As to the Koenig sale in Philadelphia in 1912 and the Scott and Lewis incident in New York in 1916, it is to be observed that in each case the purchaser asked for the American Builder models and got them. In the former case it is said the sales girl described the American Builder as the new "Meccano" to Koenig

and in the latter the sales girl by perhaps an error in the sales slip described it as "Meccano." The American Model was not palmed off on the purchaser as the Meccano in either case.

The order is reversed.

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Dissenting Opinion.

United States Circuit Court of Appeals for the Second Circuit.

No. 40, October Term, 1917.

Argued January 10, 1918. Decided April 15, 1918.

MECCANO, LIMITED, Complainant-appellee,

v.

JOHN WANAMAKER, NEW YORK, Respondent-appellant.

Appeal from the District Court of the United States for the Southern District of New York.

Before Ward and Rogers, Circuit Judges, and Learned Hand, District Judge.

LEARNED HAND, D. J.:

The plaintiff by the Ohio decree which has been affirmed, has now established its right to terminate Wagner's competition. The decree not only creates this right but imposes an obligation upon Wagner with the usual sanctions. Wanamaker now knows of the decree, for the plaintiff has laid it as part of the gist of this suit, as the basis of its relief herein. Whenever in the future Wanamaker orders
340 toys from Wagner it will solicit a sale which is in direct violation of the decree. If the order be given within the territory of the Ohio court it will be a contempt of the decree, as well as Wagner's sale. Outside of that territory it will be no less a violation of the rights of the plaintiff, quite independently of how we might ourselves view the transactions out of which the Ohio decree proceeded. I apprehend that it makes no difference whether the obligation which a third party procures the obligor to violate be created by judgment or by contract, anyone who contributes to that violation commits a tort. As to the toys which it buys of Wagner, Wanamaker, therefore, will commit such a tort against the plaintiff in the future and should be enjoined regardless of what relief we might have given the plaintiff upon the state of facts.

Of course, as we held in the earlier case, Wanamaker must have its day in court upon its own right to make and sell the toys or to buy them of others. The Ohio decree is in no sense an estoppel against Wanamaker and we may not enjoin it on the principle of an estoppel; it has never been heard and it must have its hearing. But so far as the facts appear at present it is only buying its toys of

Wagner, and I think the plaintiff has established its right by the mere force of that decree to prevent Wanamaker from inducing Wagner to violate it. This question we reserved in the earlier decision, it comes up now and cannot be avoided; I would solve it in the plaintiff's favor.

Kessler v. Eldred, 206 U. S., 285, is a case of somewhat the same character. There Eldred, a patentee, sued Kessler, who succeeded on the issue of non-infringement. Later he sued one of Kessler's customers in another district and Kessler was forced to intervene and protect him. While that suit was pending Kessler sued Eldred to procure a general injunction against him from litigating again the issues determined between them in the original suit, and the court enjoined Eldred. It seems to me there is no substantial difference between Kessler's right in that case, which was his "good-will" ("universitas"), and the specific right established in this case in the plaintiff's favor against Wagner.

I dissent.

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May 4, 1918.

I vote to deny.

H. G. W.

H. W. R.

[Endorsed:] United States Circuit Court of Appeals, Second Circuit. Filed May 13, 1918. William Parkin, Clerk.

United States Circuit Court of Appeals for the Second Circuit.

MECCANO, LIMITED, Complainant-appellee,

vs.

JOHN WANAMAKER, NEW YORK, Defendant-appellant.

Petition of Meccano, Limited, for Rehearing.

Reeve Lewis, C. A. L. Massie, Ralph L. Scott, of Counsel for Petitioner.

343 United States Circuit Court of Appeals for the Second Circuit.

MECCANO, LIMITED, Complainant-appellee,

vs.

JOHN WANAMAKER, NEW YORK, Defendant-appellant.

Petition of Meccano, Limited, for Rehearing.

Your petitioner, Meccano Limited, being aggrieved by the majority opinion filed in this cause on or about April 15, 1918, reversing the injunction order entered by the District Court, humbly prays

for a rehearing; and, in support of its petition, most respectfully says as follows:

Copyright Infringement.

Upon this question the majority opinion states, "we think the case not clear" enough to justify the preliminary injunction. This is predicated upon the propositions that defendant has (1) the right to use "perforated plates of the lengths having equi-distant holes and intervening spaces which it [complainant] first used"; (2) the right to build such "constructing elements" into models, "as, for example, wheelbarrows, bridges, trains, Ferris-wheels, trucks, etc."; and (3) that "in the nature of things the constructing elements and the things constructed being the same, the plates illustrating them and the instructions contained in the manuals furnished with the two outfits must be more or less alike."

Assuming (without admitting) the correctness of these propositions, we respectfully submit that they do not justify or
344 explain the identities of defendant's manuals with those of plaintiff with respect to illustrations of models, descriptive matter, tabulations, and other contents of the books, and that such identities cannot be accounted for "in the nature of things," or by mere similarity of "the constructing elements." In other words, applying the test set forth in said majority opinion that "all that should be required of other makers is to do independent work," the books themselves show, and it was found as a fact in the Ohio litigation (after the manufacturer had unsuccessfully attempted to justify the identities), that defendant's manuals are not the result of "independent work,"—but, on the contrary, were produced by copying and counterfeiting of the most flagrant character.

There are before this Court Plaintiff's Exhibit 38, Plaintiff's Copyrighted 1911 Manual; and Plaintiff's Exhibit 10, the manual manufactured by the defendant Wagner in Ohio, and sold and distributed by the defendant Wanamaker herein. To assist the Court in making its own comparisons, and as partial showing of the identities and evidence upon which the Ohio Court based the findings of fact and conclusions of copyright infringement, we respectfully urge an examination of the reproductions (on yellow paper at the back hereof) of pages and illustrations in plaintiff's said copyrighted manual and defendant's said infringing manual.

Yellow page A is a reproduction of plaintiff's "Fig. No. 64 Suspension Bridge," while page B is a reproduction of defendant's corresponding "Fig. No. 48 Suspension Bridge." In addition to other apparent identities, particularly note the presence of a toy engine and rails on the bridge in each illustration; and compare the concluding sentence—

"The engine and rails shown in the illustration are not included in the outfit, and are merely shown for purposes of illustration,"

on page A of plaintiff's illustration, with the concluding sentence—

"The engine and the track in this cut are simply for an illustration and are not included in the regular outfit,"

at the foot of page B of defendant's illustration.

345 The Ohio District Court made particular mention of these figures, as illustrative of the copying, saying (Italics ours): "When figure 48 of the American Model Builder of 1912 (Plaintiff's Exhibit 10) is compared with figure 64, Meccano Manual of 1911 (Plaintiff's Exhibit 38), *the conclusion cannot be escaped that one was copied from the other*" (234 F. R., p. 923).

With no such engine and track in the outfits of either party, it is inconceivable that defendant, by mere coincidence, and without actual copying and borrowing, could have placed an engine and track on its bridge in substantially the identical position as plaintiff's engine and track is positioned on plaintiff's bridge; and then followed this with almost verbatim copy of the concluding sentence of plaintiff's explanation accounting for the presence of the engine and track.

Yellow page C is a reproduction of plaintiff's "Fig. No. 65 Warehouse with Elevator," while page D is defendant's corresponding "Fig. No. 45 Warehouse with Elevator." In addition to other apparent identities, note particularly the extraordinary circumstances that the car in each is shown at substantially the same elevation; that the photographs are taken at substantially the same angle; and that an enlarged fragmentary view of the same portions of each elevator is given to show details which are not clear from the main views.

Following these illustrations, yellow sheets E to M have a number of other corresponding illustrations which may be readily compared without explanation.

The reproductions of "Contents of Outfits," on yellow pages N and O, are worthy of particular note. They show that defendant's series of outfits duplicate corresponding outfits of plaintiff's series. That is to say, for example, where plaintiff specifies fourteen 12½ inch perforated strips for a Meccano No. 4 outfit, defendant also specifies fourteen of the same strips for its corresponding No. 5 outfit; and so on throughout practically all the parts of each corresponding outfit. The comparison of plaintiff's No. 4 outfit and defendant's No. 5 outfit, as the makeup is set forth in the "Contents of Outfits," may be more readily understood by reference to the tabulation reproduced on yellow page P. Similar comparisons of plaintiff's No. 1 outfit with defendant's corresponding No. 2 outfit

346 and of plaintiff's No. 1A accessory outfit with defendant's No. 2½ accessory outfit, are given on yellow page Q.

Upon such showing of identity of contents of outfits, the Ohio District Court held that defendant's "No. 1 corresponds to Meccano No. 0, and so on. Hence, for instance, No. 3 American Model Builder is the same as Meccano No. 2, and additional parts 0A Meccano are additional parts 1½ American Model Builder" (234 F. R., p. 918).

It is beyond comprehension that such identities in specification of parts for corresponding outfits, in each of plaintiff's and defendant's series of outfits, could have resulted from "independent work," and

did not in fact arise from copying the tabulation appearing in plaintiff's copyrighted manual.

To assist this Court in making still further comparisons (if more be desired) between plaintiff's copyrighted book and defendant's counterfeit thereof, we have preceded the yellow pages with a carefully prepared "comparative table, showing defendants' copying of plaintiff's book and models."

Upon such consideration of duplicates of the aforesaid exhibits herein (Plaintiff's and Defendant's Manuals), and after a lengthy open court trial, during which Wagner, the Ohio defendant and manufacturer, himself testified and attempted to explain the identities of his manual with that of plaintiff, the Ohio District Court (Judge Hollister) held that defendant's said manuals (*italics ours*):

"could not, in my judgment, have been made in the way they are made, in the language and figures chosen, and in the models displayed, unless the constructor *had before him* a Manual or Manuals issued by complainant" (234 F. R., p. 917).

"However strongly defendant asserts ignorance, accident, or mistake, little weight can be given to what he says in the face of what is disclosed by * * * the Manuals * * *. Defendants' Manuals may be the result of labor and thought, but the labor and thought is *not of an original character*, resulting in something new taken from a mass of common information; and it is clear enough that the labor and thought expended has been for the purpose of making a Manual, appropriate to the outfit it accompanies, *counterfeit* the Meccano Manual accompanying the corresponding
347 Meccano outfit; and all for the purpose of deception" (pp. 918,919).

"The thought and labor bestowed by defendant was not, as said before, in making a new work on the same subject, but was expended largely in paraphrasing the language of some of complainant's statements and descriptions in its Manuals so as to describe the same thing in somewhat different language. Paraphrasing constitutes infringement of a copyright as well as actual copying copyrighted matter" (pp. 921, 922).

"material and substantial matter found in the copyrighted Manuals charged to be infringed will be found in the manuals complained of, either paraphrased or in the same words. The appropriation of a substantial proportion of another's copyrighted work constitutes infringement * * *. It is also true the defendant has not appropriated the entire copyrighted work; but he has materially diminished the value of complainant's work, and appropriated its labors to an injurious extent. This constitutes infringement" (p. 922).

"When defendants' Manuals are subjected to the tests laid down in these cases, *there is no room for doubt* that the Manuals complained of are *piracies* of complainant's copyrighted Manuals which the defendants are charged in this case with having infringed" (p. 922).

"There are *many indications* that the person or persons who made up the defendants' Manuals complained of *must have had before him* or them complainant's Manual and illustrations and descriptions; the therein set forth models; statements and prices of separate parts; and the arrangement of these, when the Manuals complained of were made. This conclusion is irresistible from what is found in the respective Manuals, especially when one considers the manner in which the defendants *copied* complainant's outfits and ideas, and the purposes for which this was done. * * * The *fact* is defendant *copied* its Manual both from complainant's copyrighted and uncopied Manuals. And there are ample particulars in the Manuals complained of, sufficiently *copied* from the Manuals charged to be infringed, to hold the defendant *guilty* of infringement of complainant's copyright" (p. 923).

By unanimous opinion (246 F. R., 603), the Court of Appeals for the Sixth Circuit, after referring to the case as involving a charge of "acts of infringement of plaintiff's copyrights, consisting in substance of copying and counterfeiting" plaintiff's manuals (p. 348 604), approved the conclusion of the District Court upon the issue of copyright infringement. In other words, being convinced that the findings by the District Court on the question of copyright infringement were correct, and that there was no error of law, said Court of Appeals affirmed said Court's conclusion that defendant's manuals (the same as in evidence here) had been produced by copying and counterfeiting plaintiff's copyrighted manual, and hence were not the result of "independent work." By applying the test laid down herein by this Court that "all that should be required of other makers is to do independent work," the Ohio District Court and the Ohio Court of Appeals, upon consideration of manuals identical with those before this Court, and after hearing the testimony of the manufacturer of defendant's manuals, and of his witnesses, held defendant's manuals to be devoid of originality, and flagrant infringements of plaintiff's copyrights.

Giving due weight to the findings of fact in the opinion of the Ohio District Court (now affirmed by the Ohio Court of Appeals), and upon the basis of an independent examination of the "briefs and the record in the Ohio case," and of the showing on the motion, the Court below (Judge Augustus N. Hand), in granting preliminary injunction herein, said (R., p. 274, italics ours):

"It seems quite apparent * * * that diagrams and directions as to construction have been *borrowed* by defendant from complainant's copyrighted catalogues" (241 F. R., 133).

Under the authorities (referred to later), and upon established and recognized principles of comity, applicable in the case at bar, the decisions of said Ohio Courts should be accepted by this Court,—at least for present purposes,—as the law upon the copyright branch of this case, and the order appealed from should be affirmed as a sound and proper exercise of discretion by the Court below.

Unfair Competition.

Upon this question also the majority of this Court "think the case not clear" enough. This conclusion is predicated: upon the proposition that "complainant cannot obtain a monopoly for all time of perforated plates of the lengths having equi-distant holes and intervening spaces which it first used, these are functional features of the units of construction which any one is at liberty to use"; upon the intimation that the use of the name "American Model Builder" on defendant's product affords plaintiff all the protection to which it is entitled within the Supreme Court's decision in *Singer Co. vs. June*, 163 U. S., 169; upon the statement that defendant's product is "sold in dissimilar packages"; and upon the proposition that the evidence on the motion is insufficient to show "actual palming off."

The individual structural parts of both plaintiff and defendant are listed on yellow page R at the back hereof, and are comparatively illustrated on yellow pages S to W. Pages N and O show "contents of outfits"; page P shows the identity of defendant's No. 5 outfit with plaintiff's No. 4; and page Q shows the identity of defendant's No. 2 outfit with plaintiff's No. 1, and of defendant's Accessory outfit 2½ with plaintiff's Accessory 1A.

Upon the basis of such (and other) evidence in the Ohio litigation, the Ohio District Court made findings of fact, such as the following: (Emphasis ours.)

"Wagner * * * introduced into the market a model builder, which except for great care in examination, *cannot be distinguished* from the complainant's Meccano * * *" (234 F. R., 917).

"There is testimony showing results of similar character. Testimony, however, is not needed, for the outfits themselves, in numbers and parts corresponding with the complainant's, and the arrangement of the parts in the boxes and the appearance of the boxes, *are enough* in themselves, *without any testimony* to warrant the Court in concluding, as is now concluded, that the defendants' outfits, parts, boxes, and labels would *deceive* the purchasing public, and *were so intended* * * * comparison * * * show that one

350 *is copied* from the other in all substantial details * * * the Meccano 1911 lists of separate parts—some of peculiar construction—have been *duplicated* in all respects in the defendants' corresponding lists" (pp. 917, 918).

"The building up of models requires not only that certain parts shall be of constant shape and size, but that the holes in the parts shall be equidistant from each other. * * * This establishes a standard. * * * The adoption of the same standard by the defendants was *not accidental*. If a different standard had been adopted, then American Model Builder parts and Meccano parts could not be interchangeable" (p. 918).

"However strongly defendant asserts ignorance, accident, or mistake, little weight can be given to what he says in the face of what is disclosed by the physical appearance of the outfits, the manuals, method of arrangement of contents of boxes * * *" (p. 918).

"Even if there were no evidence tending to show actual palming off * * * there is a silent representation made by the outfits, the arrangement of parts and number of parts, the manuals * * * that 'American Model Builder' is the same as Meccano. * * * The case is so clear that it would serve no useful purpose to set forth the many *proved instances* of the injurious effect upon complainant's trade caused by defendants' devices" (p. 919).

"*Unfair competition exists* also in that the complainant has established a *business system* peculiarly its own. This was done at the expense of time, thought, labor, and much money. * * * In these it has acquired a *property right* of which its competitor cannot deprive it by introducing his goods into, and as a part of, complainant's business and business system. * * * If it be assumed that defendant could establish a business system of his own and enter into competition with the complainant's similar system, it seems to me quite clear that the defendant's system could not be so used as to appropriate the business and good-will established by the complainant. It cannot be that the defendant can build up his own business by *taking away* complainant's business through the very method established by complainant for carrying it on. The American Model Builder is not only a *fraud* on the public, but also a *fraud* on the complainant.

"I FIND THE CHARGE OF UNFAIR COMPETITION AMPLY ESTABLISHED BY THE FACTS AND UNDER THE LAW" (p. 920).

351 The Court of Appeals for the Sixth Circuit approved this finding of fact, and finding no error of law, affirmed the judgment of the Ohio District Court upon the issue of unfair competition.

By petition for rehearing, the Ohio defendants contended that under *Singer vs. June* (supra), the adverse ruling upon the patent in suit "would seem to automatically reverse the finding of unfair competition as far as the mechanical structure is concerned," and urged the Court of Appeals for the Sixth Circuit so to instruct the District Court. In denying the petition, said Court of Appeals, writing its own order, said (*italics ours*):

"That appellant's 'rehearing petition' for 'instructions regarding the extent of the reversal of the lower Court' is *denied*; no instructions are necessary, since the opinion *approves the conclusions reached below* upon the issues shown, except the one in relation to the patent in suit, and the patent in suit describes the two perforated plates as its only features of patentable novelty. Hence no perceivable difficulty can arise from the adjudged invalidity of the patent; in principle the situation here does not differ from the one involved in *Samson Cordage Works vs. Puritan Cordage Mills*, 211 Fed., 603, 605, 608, *et seq.*, C. C. A., 6, where the trade mark claimed was held invalid while the charge of unfair competition was sustained; see, also, *Saalfeld Pub. Co. vs. G. and C. Merriam Co.*, 238 Fed., 1, 10, C. C. A., 6."

In other words, said Court of Appeals rejected the contention that, under the doctrine of *Singer Co. vs. June*, defendants were justified in their exact counterfeiting of plaintiff's parts, "provided only that

the subsequent maker (Wagner) so marked the apparatus as to show that it is his make" (quoting from said rehearing petition).

In considering the Singer-June case, it is frequently overlooked that the Supreme Court reversed the lower Court and granted injunction and accounting, saying that although a defendant might use the subject-matter, and a generic designation of an expired [or invalid] patent, yet he could do so only in such a manner "as not to deprive others of their rights or to deceive the public."

352 Quoting from Pouillet, Brevets d'Invention, Mr. Justice White said (*italics ours*):

"The expiration of a patent has for its natural effect to permit everyone to make and sell the object patented; and it has also for effect to authorize everyone to sell it by the designation given it by the inventor, but *upon the condition in every case not*, in so doing, to carry on UNFAIR COMPETITION in business against him."

Singer Mfg. Co. vs. June Mfg. Co., 163 U. S., 169, 197; 41 Law. Ed., 118, 129.

As to plaintiff's name "Meccano" and defendant's name "American Model Builder," it is true they are not *idem sonans*. But, as found by the Ohio Court, plaintiff's product

"was in its essence a 'model builder' and might well have received that name. * * * The choice of the name 'The American Model Builder,' is *significant*. * * * If one had seen an advertisement of a Meccano model builder, or had seen a neighbor's boy building models with Meccano mechanical units, and had gone to a toy store for the purpose of buying such an outfit and had seen there defendants' outfits and had purchased one, there is no doubt he would think he had bought what he had gone after. There is testimony showing results of similar character" (234 F. R., 917).

In connection with the foregoing, attention is called to the testimony of Mr. Brennan (Ex., Ohio Rec., p. 236), a lawyer of Marietta, Ohio. He was first attracted to Meccano through its advertisements, became interested, and then sent to the Embossing Co., a Meccano agency in Albany, for catalogues. After examining the literature sent him, he determined to make his boy a Christmas present of a \$6 set, and thereupon wrote a letter ordering it. However, a friend told him he need not send away for it, as he could get it at a certain store in Marietta. Thereupon he went to that store and asked for a set of Meccano. The clerk said "you mean model builder," 353 and then showed him a set of "American Model Builder," and Mr. Brennan bought it. He says (Ex. Ohio R., pp. 240-242):

"Its general appearance was the same as the pictures and descriptions I had seen of Meccano, and I supposed that it was Meccano sold by an American licensee or dealer. * * * I had never seen any advertisements or heard of any other toy of this nature except Meccano, and when I saw the model builder outfit in an oblong flat pasteboard box, with a picture either on the box or in the pamphlet accompanying it, and I think on both, which appeared to be quite the

same as what I had before seen in the periodicals * * *. Having learned that Meccano was manufactured by an English concern, and seeing * * * a set of what I assumed to be Meccano, although it did not bear the name Meccano, I supposed that it was Meccano sold by an American licensee or dealer * * *. I had already satisfied myself that I wanted a set of Meccano," and "I supposed from the general appearance of what was shown me that this was it."

In view of the foregoing, we submit that the significance attached by this Court to the difference in names is not justified by the evidence and findings in Ohio; and that this difference in names is altogether inadequate to distinguish one product from the other.

With reference to your Honor's opinion that the charge of palming off is insufficiently supported, the Court will appreciate the difficulty of obtaining evidence of actual instances, especially in connection with so small a matter as a toy. Nevertheless, the Ohio Court found as a fact that there was such evidence, and said (234 F. R., 919, *italics ours*):

"It seems to me that unfair competition exists both under the aspect of *palming off*, which is *shown* not only by instances in the testimony, but also in the more subtle way, as said by Judge Lacombe, 'by simulating the collocation of details of appearance by which the consuming public has come to recognize the product of his competitor.' *Enterprise Mfg. Co. v. Landers*, 131 Fed., 240, 241 (C. C. A., 2), affirming the Circuit Court in 124 Fed., 923."

354 And then the Ohio opinion points out "there are two noticeable differences between" the *Enterprise* case and the present case, when dealing with the subject-matter of "palming off," in that the latter, if possible, shows

"an even more pronounced instance of appropriating all by which the complainant's product had become known to the public, and that the defendant in that [*Enterprise*] case was honest enough to admit all that he had done"—

whereas the Ohio defendant protested his innocence of every charge against him. The opinion of the Ohio Court points out there is "in evidence two of defendant's [*Wagner's*] letters which convict him" personally of the charge of palming off. However, as *Wagner* is now under injunction, we are not at present so much concerned with what he may have done in this regard, as we are with the product he has put in the hands of dealers, including *Wanamaker*, which enable them to palm off. The situation makes pertinent a recent decision by the Court of Appeals, for the Sixth Circuit, wherein it was stated:

"It must therefore be concluded that placing these goods on the market, whether by the producer or his selling agent, the *Ackerman Company*, imports an intent to have them mistaken for and confused with plaintiff's product; and in determining the effect of this, it is not enough to consider simply the jobber or the retailer, though of course their interests are entitled to protection. As we in effect said when passing on the question of infringement of plain-

tiff's trade-mark, jobbers and retailers are cautious buyers and have the means of identifying manufacturers when negotiating their purchases; but it is well known that all jobbers and retailers are not so considerate of either the interests or the choice of unsuspecting users. The subject, then, cannot be fully considered unless the interests of purchasing users are taken into account. It results that plaintiff is entitled to relief."

O. & W. Thum Co. vs. Dickinson, 245 F. R., 609, 622.

355 Attention is also called to the uncontradicted testimony of Schmitt, in the Ohio case. Kaufman, buyer for Bowman & Co., Harrisburg, told Schmitt that

"he was able to sell American Model Builder to every customer coming into that store asking for Meccano, and that most of the customers wouldn't know the difference between the two" (Ex. Ohio Rec., p. 77).

And several other named dealers told Schmitt the same thing (Id., pp. 78-79). Schmitt also testified as to one who

"went to Wanamaker's and ordered a Meccano set; after taking the packing paper off the set and opening it up at home he found that it was an American Model Builder set" (Id., p. 80).

Aside from the "silent representation made by the outfits" themselves, as stated by the Ohio Court, which representation affords unscrupulous dealers ample opportunity to entrap, it is respectfully submitted there is ample evidence in the main case of actual palming off; and it is further submitted that, in view of the Ohio adjudication as to the fraudulent nature of defendant's product, plaintiff is entitled to its suppression in the hands of dealers, and that the "interests of purchasing users" are also entitled to protection (Thum vs. Dickinson, supra).

It is also noted that the Ohio District Court found as a fact, upon the complete evidence before it, that defendant's product had not been "sold in dissimilar packages"; and, further, that upon the evidence afforded by the product itself, unfair and illegal competition has been established, and that other "evidence tending to show actual palming off" was not required. And these findings were affirmed by the Ohio Court of Appeals.

Questions of Law Presented.

Aside from any considerations of what this Court might or might not decide in the absence of the Ohio litigation, this case presents two important questions of law:

(1) In view of the decision and decree of the Ohio District Court (following a lengthy trial on full pleadings, proofs, 356 and exhibits), was the New York District Court justified in following said Ohio adjudication on a motion for preliminary injunction against a dealer handling the identical product which had been found illegal in the hands of the manufacturer; or

does the proof so clearly establish that the following of said adjudication involved such abuse or improvident exercise of discretion that this Court must reverse the lower Court? And

(2) What weight should this Court give to the decision and decree of the Ohio District Court (now affirmed by the Circuit Court of Appeals for the Sixth Circuit) adjudging that American Model Builder outfits and books identical with those dealt in by the defendant Wanamaker constitute unlawful competition with plaintiff's similar products, and also adjudging that said books constitute infringement of plaintiff's copyrights?

As we read the majority opinion of this Court, it seems to say that the Ohio trial court was in error in adjudging products identical with those involved in this case to constitute unlawful competition and copyright infringement with respect to plaintiff's similar products; and that the Ohio Court of Appeals was also in error in affirming such judgment.

Four Ohio Judges, after due consideration of a full and complete record on final hearing, are unanimous in holding the product here in controversy to be illegal. Two Judges in New York believe the Ohio decree established plaintiff's right to an injunction against Wanamaker. Opposed to these six Judges, is the majority opinion of this Honorable Court.

We respectfully submit that, under the well established law and authorities, citations of which follow, this Court should have deferred to the Ohio adjudication as justifying and requiring the granting of the injunction order herein; and, for reasons such as admirably stated in the dissenting opinion of Judge Learned Hand, this Court should affirm said order.

357

The Ohio Adjudication.

As stated by his Honor Judge Learned Hand, in this Court's dissenting opinion in the present case (emphasis ours):

"The plaintiff by the Ohio decree ESTABLISHED ITS RIGHT to terminate Wagner's competition. The decree * * * created this right * * *."

That Ohio decree was entered by a court having jurisdiction of the parties and of the subject-matter, after an extended open court trial, and it adjudged the product there and here in controversy to be illegal,—to be a "Fraud,"—"not only a fraud on the public, but also a fraud on the complainant" (Ex. Ohio Rec., bottom p. 534), although the decree is "interlocutory" and not "final," nevertheless it settled the status of the product; and a final decree could do no more in that respect,—it would "merely reiterate its conclusions on that point" (Walker on Patents, 4th Ed., Sec. 666, p. 523).

Moreover, the opinion of this Court on plaintiff's motion for "a decision on the merits" states that, for the purposes of that motion (italics ours):

"we further disregard the objection that the Ohio decree is still only interlocutory and * * * we may assume that in so far

as concerns the matters before the Circuit Court of Appeals [Sixth Circuit], the issues have been *finally and conclusively determined.*"

It is submitted that for the purposes of the present motion, the Ohio decree is equally final and conclusive as to the issues there determined. In other words, the American Model Builder product has been adjudged and branded a "fraud"; and that brand can not be effaced from the goods themselves simply by their transfer from the Ohio manufacturer to the hands of a New York merchant. If the product be a "fraud" on both plaintiff and the public in Ohio, it is equally a "fraud" on plaintiff and the public in New York.

The adjudication in the Ohio case furnished suitable foundation for the right to a preliminary injunction against one dealing
358 in the same identical goods here in New York. Mr. Walker (*supra*), says.

"Where the prior adjudication was that of the Supreme Court or of a Circuit Court of Appeals, it is conclusive of the questions it covered; and where the prior adjudication was that of a Circuit Court, it will be followed unless it is inconsistent with some other decision of equal or higher rank." (Citing *American Bell Tel. Co. vs. McKeesport*, 57 F. R., 661; *Edison Electric Light vs. Trust Co.*, 60 F. R., 397; *Pullman Car Co. vs. Wagner Car Co.*, 44 F. R., 765; *Wilgus vs. Van Sickle*, 99 F. R., 443).

This Court's dissenting opinion states that—"Wanamaker knows of the decree" in Ohio, and "whenever Wanamaker orders toys from Wagner it solicits a sale which is in direct violation of the decree." And "as to the toys which it buys of Wagner, Wanamaker, therefore, will commit such a tort against the plaintiff," and that "the plaintiff has established its right by the mere force of that decree to prevent Wanamaker from inducing Wagner to violate it."

While the Ohio decree before the New York District Court, at the time of moving for the injunction, was the decree entered prior to review of the main case by the Court of Appeals for the Sixth Circuit, nevertheless this Court now has properly before it the opinion rendered by said Court of Appeals, and also copy of the decree entered in the Ohio District Court in conformity with said opinion. And this last-named decree is a verbatim copy of the original decree so far as concerns the adjudication of unfair competition and copyright infringement.

As set forth in this Court's majority opinion, it is true that the Circuit Court of Appeals in the Ohio case "reversed" the decree so far as it held the patent valid—

"and affirmed as to copyright infringement and unfair competition."

But the reversal of the decree as to the patent does not in any way militate against the force and effect of the findings with respect to unfair competition and copyright infringement, and does not in any way detract from the conclusiveness and finality of the

359 adjudication that the complained of product is illegal. As pointed out in our original brief on appeal, the Bill herein first and primarily charges unfair competition—that is the gravamen of the suit; and the two other causes of action alleged in the Bill (patent and copyright infringement), are part of the acts complained of as contributing to the unfair competition. The patent has been withdrawn from the present case; and it will be recalled we formerly consented to the elimination from the injunction writ of all reference thereto.

The prayers of the Bill ask *inter alia* for relief against unfair competition by outfits, etc., “such as the American Model Builder,” and for relief against copyright infringement by manuals, etc., “such as have been included with said American Model Builder outfits” (Tr., pp. 81, 82); and the injunction follows this phraseology (Id., p. 279). In view of the statement by this Court, in the opinion on plaintiff’s motion for a “decision on the merits,” that the issues herein

“involve not only the defendant’s right to sell Wagner’s toys and manuals, but any *others which it may procure elsewhere*,”

we here submit our willingness to have the injunction further modified by elimination of the words “such as,” and thus confine it strictly to American Model Builder product. As a matter of fact, the proofs herein are directed exclusively to said product, and show that the product in the present defendant’s hands is that of the Ohio manufacturer.

In this connection, another portion of this Court’s opinion on said motion for a decision is cited, as follows (*italics ours*):

“It might, for example, be held under an extension of the doctrine of *Kessler v. Eldred*, 206 U. S. 285, that the purchase of toys and manuals from Wagner, which he had been enjoined from selling, if not in actual contempt of that decree, was at least in derogation of the *plaintiff’s rights established thereby*, and thus a tort against it, regardless of the defendant’s personal right to sell toys and manuals if bought from others or to manufacture them itself and sell them without the co-operation of Wagner.”

360 In short, we respectfully submit that the Ohio decree (now affirmed by the Court of Appeals, Sixth Circuit) finally and conclusively settles the status of the product there and here complained of; it established plaintiff’s rights as against that product; and, under the authorities cited, as well as the principles of comity, that decree should be accepted by this Court at its face value,—at least for the purpose of this preliminary injunction matter.

The Sole Question Presented on Appeal.

In its majority opinion this Court says (*emphasis ours*):

“The District Judge, *following very naturally* the adjudication of the District Court in Ohio, granted a preliminary injunction, and this is an appeal from that order.”

It was not only "natural" that the trial court should have followed that adjudication, but, we submit, it would have been an abuse of discretion to have refused the order; such prior adjudication

"will be followed, unless it is inconsistent with some other decision of equal or higher rank" (Walker, *supra*, and cases cited).

As the granting or withholding of the order was a matter resting in the sound judicial discretion of the lower court, at the time of the original argument before this Court emphasis was laid on the point that the sole question raised by the appeal was whether the court below had in this instance abused its discretion. This Honorable Court was not called upon to decide whether it, if sitting as a court of original jurisdiction, would have granted the order under the same facts and circumstances. That question was not before this Court for decision. As stated by Judge Hand's dissenting opinion (emphasis ours):

"Wanamaker * * * *should be enjoined* regardless of what relief we might have given the plaintiff upon the state of facts."

361 In order to reach the conclusion that the lower Court should be reversed, this Honorable Court had to and did go outside the one question properly before it on this appeal, in fact, reviewed the case as if it were here after a final hearing on the merits, or viewed as if this Court were sitting as a court of original jurisdiction.

There are many decisions, by various appellate courts, in support of our position, but we shall refer to only a few. As stated by the Court of Appeals for the Fourth Circuit, on an appeal from an order granting a preliminary injunction (*italics ours*),

"the question this court at this stage is called upon to decide is whether the court below, having the discretion to grant or refuse the temporary injunction, has in this instance *abused* its discretion. The law is so well stated by the Circuit Court of Appeals, Ninth Circuit, in the *Southern Pacific vs. Earl*, 27 C. C. A., 185, 82 Fed., 690, that we adopt it: 'Inasmuch as the granting of an injunction *pendente lite* is committed to the discretion of the trial Judge, it necessarily follows, and so the authorities uniformly hold, that, upon an appeal from such an order, the one question which the appellate court is called upon to determine is whether the court, in making such an order, *abused* its discretion.'"

Rahley vs. Columbia Phonograph Co., 122 F. R., 623, 625.

In a much later decision, the same Court of Appeals cited the *Rahley-Columbia* case and said (emphasis ours).

"The sole question upon which we are now called upon to pass is whether the learned Judge below, in granting this preliminary injunction, improvidently exercised the discretion committed to him by law."

Neff et al. vs. Coffield Motor Washer Co., 210 F. R., 166, 167 (4th C. C. A.).

One of the earlier decisions, most frequently cited on this point, was rendered by the Court of Appeals for the Sixth Circuit, as follows (*italics ours*):

362 "The *single question* presented for our determination on said appeal is whether the order of the lower court awarding the injunction was erroneous or improvident, under the facts and circumstances of the case, as disclosed by the motion papers on which its action was based."

Blount vs. Societe Anonyme, &c., 53 Fed., 98, 100.

As stated by Circuit Judge Sanborn, in speaking for the Court of Appeals for the Eighth Circuit (italics ours):

"Now *the question* in this court is *not* whether or not it would have issued or would issue the injunction upon the evidence before it. The granting or dissolution of an interlocutory injunction rests in the sound judicial discretion of the court of original jurisdiction, and when that court has not departed from the rules and principles of equity established for its guidance, its orders in this regard may *not be reversed* by the appellate court without clear proof that it *abused* its discretion. It is to the discretion of the trial court, not to that of the appellate court, that the law has entrusted the power to grant or dissolve such an injunction, and *the question here is: Does the proof CLEARLY establish an abuse of that discretion by the court below?* American Grain Separator Co. v. Twin City Separator Co., 202 Fed., 202, 206, 120 C. C. A., 644, 648, and cases there cited."

Magruder et al. vs. Belle, &c., Ass'n., 219 Fed., 72, 82.

In an opinion written by Mr. Taft, then Circuit Judge, speaking for the Circuit Court of Appeals for the Sixth Circuit, it is said:

"We are to consider the correctness of the order from *the same standpoint as that occupied by the court granting it*, and if we find, after a consideration of the ground presented to that court for its action, that its legal discretion to grant or withhold the order was not improvidently exercised, we should *not* disturb its action. *The judgment of the Circuit Court of Massachusetts is entitled to the same consideration in this court, as a reason for granting the preliminary injunction, as it had in the court below* (American Paper Pail & Box Co. v. National Folding Box & Paper Co., 1 U. S. App., 283, 2 C. C. A., 165, 51 Fed., 229). Upon a final hearing upon the merits, it would be different."

Duplex Printing-Press Co. vs. Campbell Printing-Press Co., 69 Fed., 250, 252.

363 "The granting or refusing of a preliminary injunction in such a suit ordinarily rests in the sound discretion of the trial court, and the review thereof by an appellate court is limited to the inquiry whether there was abuse of discretion in granting the writ."

Kings County Raisin Co. vs. U. S. Raisin Co., 182 Fed., 59, 60 (9th C. C. A.).

See also:

Southern Pacific vs. Earl, 82 Fed., 690, 692.

Kryptok vs. Stead Lens Co., 190 Fed., 767, 769.

Sherman-Clay vs. Searchlight Horn Co., 214 Fed., 99, 100.

NOTE.—The principle of law above referred to should not be confused with the doctrine of *Mast, Foos & Co. vs. Stover* (177 U. S., 488) and numerous other cases, to the point that a Court of Appeals, even on appeal from an order granting a preliminary injunction, may consider the merits of a case and dismiss the *the* bill where it conclusively appears plaintiff has no cause of action, for example, and could not ultimately prevail. If a preliminary injunction be granted in such a case, it is clearly an improvident grant “under the facts and circumstances of the case” (*Blount vs. Societe, supra*), and to that extent an abuse of discretion.

We submit that, “under the circumstances and facts of the case as disclosed by the motion papers,” it can not be said the learned trial Judge abused his discretion and improvidently granted the injunction order. Under the law, as stated by Mr. Taft (*supra*), this Court should consider “the order from the same standpoint as that occupied by the court granting it”; and from this it necessarily follows that “The judgment of the District Court of Ohio (now affirmed by the Ohio Court of Appeals) is entitled to the same consideration in this Court, as a reason for granting the preliminary injunction, as it had in the court below.”

364

Findings of Fact.

The briefs filed on this appeal, as well as the oral arguments, afforded this Court only a very sketchy outline of the merits of the controversy as a whole. Going forward with the idea that the sole question before your Honors for decision was whether the trial court had abused its discretion in granting the order, our efforts were confined primarily to showing what was before the lower court at the time its action was taken. Had we considered any other question to be here for review, we should have gone more extensively into the merits, and presented (so far as possible) duplicates of many important exhibits in the Ohio case—especially a more complete showing of the respective outfits.

Nevertheless, upon this meagre showing with respect to the merits, this Honorable Court went outside the one question presented on appeal, and, as a basis for reversing the injunction order, made findings of fact contrary to the findings of the Ohio trial court (subsequently affirmed by the Ohio Court of Appeals), and also contrary to the independent findings of our own District Court—as hereinbefore pointed out.

For instance, the majority opinion states:

“all that should be required of other makers is to do independent work”;

thereby assuming that the defendant Wanamaker, or the Ohio manufacturer, had done “independent work,” or that plaintiff had at least failed to prove no “independent work” had been done by either defendant. The Ohio defendant Wagner appeared and testified in open court before Judge Hollister (*Ex., Ohio Rec., p. 411*) ;—he was his own most important witness. His wife also appeared and

testified (Id., p. 494); and his brother-in-law gave a deposition (Id., p. 348). In this testimony, elaborate attempt was made to explain just how Wagner originally got up his outfits and manuals; and he vehemently disclaimed having ever copied anything of plaintiff's. But Judge Hollister, with the advantage of both seeing and

365 hearing the man testify, refused to believe his story, and came to the conclusion that it was absolutely unbelievable,—saying (234 F. R., 918):

"However strongly defendant asserts ignorance, accident, or mistake, little weight can be given to what he says in the face of what is disclosed by the physical appearance of the outfits, the manuals, method of arrangement of contents of boxes. * * * Defendants' manuals may be the result of labor and thought, but the labor and thought is not of an original character * * *."

"The thought and labor bestowed by defendant was not, as said before, in making a new work on the same subject."

And the Ohio Court of Appeals approved "the court's conclusions upon the issues joined" as to unfair competition and copyright infringement; and said

"we can not say that the evidence considered as a whole does not fairly sustain the conclusion reached below upon the issue of unfair competition."

The Exhibit Ohio record affords not an iota of credible evidence that the American Model Builder products was the result of "independent work" on the part of its manufacturer. The present defendant Wanamaker never manufactured any of the products; it is merely a merchant, buying from the Ohio defendant,—and this is admitted in the pleadings. On this point the dissenting opinion says: "so far as the facts appear at present it [Wanamaker] is only buying its toys of Wagner." Therefore, Wanamaker never did any independent work in connection with this product.

The question whether "independent work" was done in getting up the American Model Builder outfits and manuals, is one of fact. And this question of fact was decided by the Ohio District Court against the manufacturer and in favor of plaintiff (and affirmed on appeal). Even if this question had been before this Court for review on this appeal (but it was not), your Honors would have reviewed it—

"subject to the rule that the findings of the trial court will not be lightly disturbed."

Westermann vs. Dispatch Co., 233 F. R., 609, Sixth C. C. A.

366 "where the chancellor has considered and determined an issue of fact on conflicting testimony, the presumption is that his conclusion was correct, and an appellate court will not reverse it, unless the evidence clearly proves that he has made a serious mistake in his finding upon the question of fact, or has fallen into a controlling error of law."

Luten vs. Sharp et al., 234 F. R., 880, 881, Eighth C. C. A.

In this connection attention is especially called to a peculiar applicable decision by the Supreme Court (*italics ours*):

"It surpasses the power of belief that a man who testified that there was nothing in the invention * * * should have come by pure chance to make *so exact a replica* of the plaintiff's specific form. Inspection of the two castings shows more clearly than can words that one must have been a copy of the other. * * * Considering that a patent has been granted to the plaintiff, the case is pre-eminently one for the application of the practical rule that so far as the *finding* of the Master or Judge who saw the witnesses 'depends upon conflicting testimony or upon the credibility of witnesses, or so far as there is any testimony consistent with the finding, it *must be treated as unassailable*, (*Davis v. Schwartz*, 155 U. S., 631, 636)."

Adamson vs. Gilliland, 37 S. C. R., 169, 170; 242 U. S., 350, 352-3; 61 Law Ed., 356, 357-8.

And, lastly, we cite a recent decision by this Court (*italics ours*):

"Whether this notice was given depends upon whether Burns or Gibson is to be credited. * * * Their testimony was taken in open court, and the trial judge had the great advantage of seeing and hearing both. He accepted the version given by Burns. Under such circumstances we think we *should not reverse* the conclusion so reached. The personal equation is a very important element in determining such questions. The narratives of two witnesses may seem equally persuasive on paper and yet the difference in their manner and deportment may be so marked that no two intelligent men would differ as to which should be credited. * * * The burden was on them (complainants) to prove that actual notice was given. The trial court has *found* that they have not sustained the burden, and we think we *should not disturb* this finding, especially is this so when the trial court had the advantage of seeing and hearing the witnesses."

Gibson, et al. vs. American Graphophone Co., et al., 234 F. R., 633, 635, Second C. C. A.

In the present case the similarities and in numerous instances absolute identities of defendant's product with plaintiff's prior product, as attested by the physical exhibits themselves, imposed upon defendant the burden of explanation and justification. This was remarked by the Ohio Court during the trial (e. g., *Ex. Ohio Rec.*, p. 476). The defendant manufacturer completely failed to sustain this burden; and the trial court found, as a fact, that the American Model Builder product was "not of an original character," but an "imitation," a "counterfeit," and "piracies," "copied" and "deliberately taken by the defendant from the complainant," "all for the purpose of deception."

As these findings of fact by the Ohio trial Court have been accepted and affirmed by the Court of Appeals for the Sixth Circuit, they are now the law with respect to American Model Builder product; and, so far as concerns the instant case, we respectfully submit they "must be treated as unassailable" (*Adamson vs. Gilliland*, *supra*).

In a comparatively recent case, also involving toys identical in appearance, this Court, speaking through Judge Coxe, said (*italics ours*):

"we think the burden should be upon the defendants to prove that the animals which they purchased from Bing were not copied from those designed by the complainant. In other words, these defendants should not be permitted to sell to the public the toys which we held could not be sold by their vendor, until they have proved by witnesses who can be cross-examined that their animals were made without any aid from the complainant's animals. So far as
368 the present record is concerned, we have little doubt that the person who designed the animals sold by the defendant had before him similar animals designed by the complainant's employes. The similarity is too great, even in minute details, to be the result of accident. In this way Bing has dispensed with original research. It has not been necessary for him to employ persons of originality and genius. Mere copyists and mechanics were all that he required. In this case, as in the former case, we cannot avoid the conclusion that the Bing toys were made with the Steiff toys as models. The small points of difference such as placing the orange patch of the terrier on the right instead of the left side rather accentuates the intent to get all of the advantages of the complainant's design without expending any original thought or labor thereon.

"To state the situation in a few words, we think that after a preliminary injunction has been sustained by this court, the sale of the prohibited goods which are in all respects similar to those condemned should cease until the defendant has proved by witnesses who can be cross-examined that the defendant's goods were not copied from the complainant's."

Steiff vs. Gimbel Bros. 214 F. R., 569, 570.

The foregoing quotation is peculiarly in point—but there is a marked difference in one respect. Witnesses have already been examined in the attempt to prove that American Model Builder product was not copied from the complainant's, and that proof has most miserably failed. To make the quotation fit exactly the present situation, we would paraphrase the concluding paragraph to read as follows:

"To state the situation in a few words, we think that after a *permanent* injunction against the manufacturer has been *sustained* by the Court of Appeals for the Sixth Circuit, the sale by a merchant of the prohibited goods, which are in all respects similar to those condemned, *should cease*—especially as the defendant has failed to prove by witnesses who have been cross-examined that the defendant's goods were not copied from the complainant's."

It is respectfully submitted that the findings of fact and conclusions of law in the decisions of the Ohio Courts settle the status of American Model Builder product, and are controlling of the case at bar; and

that by the Ohio decree plaintiff has "established its right to terminate" Wanamaker's dealings in the product enjoined by said decree, from which it follows that the order appealed from should be affirmed, with costs.

Wherefore, your petitioner humbly prays that your Honors will grant a rehearing, humbly submitting to such orders as the Court may make, if this application be without merit.

REEVE LEWIS,
C. A. L. MASSIE,
RALPH L. SCOTT,
Of Counsel for Petitioner.

Dated, New York City, May 2, 1918.

Petition for Rehearing of Plaintiff's Motion for Decision on the Merits.

Your petitioner, being further aggrieved by the opinion of this court, dated March 14, 1918, denying plaintiff's "Motion for Decision on the Merits," also petitions for a rehearing thereon, and in support thereof respectfully shows:

The situation presented by the admissions of defendant's answer (R., p. 35, et seq.), by the admissions of defendant's reply affidavits on the motion, by defendant's answers to interrogatories (R., pp. 284-286), by the verified copies of decisions of the Ohio Courts, and by the other evidence on the motion, is this. It is conclusively established (just as effectively as if there had been an actual trial) that the defendant Wanamaker has dealt in the identical American Model Builder product (outfits, separate parts and manuals) held to
370 constitute unfair competition and copyright infringement by the Ohio District Court, and the Court of Appeals for the Sixth Circuit, in the litigation against the manufacturer. It is also established by the answers to the interrogatories that said manufacturer, Wagner (The American Mechanical Toy Co.), is defending this case; and, with the co-operation of the defendant Wanamaker, is merely using said Wanamaker's name in an attempt to relitigate the identical issues already adjudicated against said manufacturer in the Ohio litigation. Wanamaker is relying upon Wagner's (The American Mechanical Toy Co.'s) undertaking and "assurances" to hold him (Wanamaker) "harmless by reason of the purchase and sale of toys manufactured by The American Mechanical Toy Co." (R., p. 286).

As thus appears, the proofs upon which this Court was asked to grant the motion are confined absolutely to the identical American Model Builder product involved in the Ohio litigation, and to the dealings of the defendant Wanamaker in that product alone. These proofs do not concern any other product dealt in by the defendant Wanamaker. Under the pleadings, the proofs might have related also to some other toy dealt in by Wanamaker and manufactured by some one other than Wagner. And had the proofs been made to

embrace such other product or toy, there would of course have been presented, with respect thereto, an issue not adjudicated in the Ohio litigation. But the fact is, the proofs presented to this Court, and upon which a decision was asked, do not relate to any other product; but, on the contrary, as already stated, are confined to the identical product involved in the Ohio litigation.

This Court's opinion on said motion says:

*"unless all the issues are the same in each case, we should not dispose of the suit in this summary manner. It is apparent that some of the issues are different from those litigated in Ohio; they involve not only the defendant's right to sell Wagner's toys and manuals, but any others which it may procure from others * * * it would make no difference in the result of this motion, unless the issues here litigated were co-extensive with the issues litigated in the Ohio suit."*

371 The issues to be disposed of are those presented by the proofs. So in the case at bar, the pleadings may have offered opportunity for other issues "different from those litigated in Ohio," opportunity for issues concerning Wanamaker's right to sell toys and manuals which Wanamaker may have procured from others than Wagner, and opportunity for issues not "coextensive with the issues litigated in the Ohio suit." But the fact is, the issues now presented by the proofs "are the same in each case" and are "coextensive with the issues litigated in the Ohio suit."

Therefore, upon the reasoning of the opinion of this Court, complainant is entitled to a decision on the merits, as prayed by the motion. Wherefore, a rehearing on this matter is also respectfully urged.

REEVE LEWIS,
C. A. L. MASSIE,
RALPH L. SCOTT.

Of Counsel for Petitioner.

Dated, New York City, May 2, 1918.

(Here follow comparative tables, specifications, and drawings marked pages 372 to 398, inclusive.)

COMPARATIVE TABLE
Showing Defendant's Copying of Plaintiff's
Copyrighted Book.

DEFENDANT'S
Manual, Ps. Ex. 10.

Page 1. (Ps. Ex., 10.)

"Before attempting to build any of the models described in this Manual, the builder should thoroughly familiarize himself with the parts and names as described on Page 55."

"The parts in all the outfits are interchangeable."

"Every model built with The American Model Builder will work, and each model may be taken apart and the parts used in the construction of other models."

"We want every user of The American Model Builder to feel free to write us at any time when difficulties arise in the building of any of the models and we will gladly give our suggestions and help."

"On Pages 48 to 54, we give a short treatise on correct mechanical construction and clearly demonstrate the principles of Bracing, Girder and Truss Construction, Belt-ing, Gear Relations, Centrifugal Governor and Universal Joint Construction. The descriptions appended to the illustrations will enable

PLAINTIFF'S
Manual, Ps. Ex. 38.

Page 1. (Ps. Ex., 38.)

"Every part of the outfit should first be taken from its box, examined, and its name committed to memory so that the instructions in the Manual may be followed easily and rapidly."

"The parts are all standardized and are interchangeable."

"Each model may be taken in pieces, and the same parts may be used to make up other models."

"We are at all times glad to correspond with users of 'Meccano,' and to assist them by suggestions or criticisms when difficulties occur with new models."

"All the models shown are built upon sound and standard engineering principles, and the parts employed represent the main mechanical parts used in machinery, such as levers, beams, wheels, axles, pulleys, worm wheels, screws, bolts, keys, &c., so that as an introduction to the serious study of Mechanics

the boy to quickly understand the mechanical reasons for the different constructions."

Fig. 1. "Flat Truck."

Fig. 3. "Box Truck."

Fig. 4. "Luggage Truck."

Fig. 5. "Teeter."

Fig. 6. "Railway Truck."

Fig. 7. "Swing."

Fig. 9. "Wheelbarrow."

Fig. 10. "Folding Chair."

Fig. 11. "Railway Signal."

Fig. 14. "Revolving Truck."

Fig. 15. "Pulley Shaft."

Fig. 16. "Windmill."

Fig. 17. "Endless Rope Railway."

Fig. 19. "Ladder on Wheels."

Fig. 20. "Traveling Jib Crane."

*Fig. 21. "Simple Telfer Span."

Fig. 22. "Windmill."

Fig. 23. "Swing."

Fig. 24. "Railway Signal."

*Fig. 25. "Scales."

Fig. 26. "Revolving See Saw."

*Fig. 27. "Motor Dumping Truck."

Fig. 28. "Large Power Windmill."

"This model is very simple in construction. If it is desired to operate this model with a small motor, use an axle rod at the bottom and attach a Flanged and Grooved Wheel to the same axle belting the motor to this. A more decorative model may be pro-

the value of 'Meccano' is very great indeed."

Fig. 10. "Truck."

Fig. 4. "Truck."

Fig. 8. "Luggage Truck."

Fig. 2. "See-Saw."

Fig. 9. "Luggage Barrow."

Fig. 12. "Swing."—Royal Manual.

Fig. 9. "Luggage Barrow."

Fig. 7. "Go Chair."

Fig. 1. "Railway Signal."—Royal Manual.

Fig. 3. "Revolver Truck."

Fig. 14. "Pulley Shaft."—Royal Manual.

Fig. 11. "Windmill."—Royal Manual.

Fig. 11. "Endless Rope Railway."

Fig. 25. "Ladder on Wheels."

Fig. 16. "Traveling Jib Crane."

*Fig. 15. "Model of Telfer Span."

Fig. 12. "Windmill."

Fig. 13. "Swing."

Fig. 14. "Railway Signal."

*Fig. 17. "Scales."

Fig. 32. "Roundabout See-Saw."

*Fig. 26. "Tipping Motor Wagon."

Fig. 28. "Windmill."

"This model requires no special instructions. We would, however, say that with the assistance of the parts contained in the succeeding outfits a more elaborate mechanism may be arranged to enable it to be driven by an engine or other suitable motive power.

* See reproductions of these illustrations following.

duced by using different colored baby ribbon in the place of the cord lacing and attaching streamers to each corner of the big wheel."

Fig. 29. "Revolving Wheel."

Fig. 30. "Traveling Jib Crane."

Fig. 31. "Lumberman's Barrow."

*Fig. 32. "Canal Turn Bridge."

Fig. 33. "Railway Signal Bridge."

Fig. 34. "Power Cable Railway."

Fig. 35. "Luffing and Swiveling Jib Crane."

Fig. 36. "Tower Truck."

Fig. 37. "Inclined Delivery Chute."

Fig. 38. "Extension Fire Truck."

This model also lends itself to further decorations by means of coloured ribbons used in the place of the cord lacings: or as streamers."

Fig. 29. "Wheel."

Fig. 27. "Traveling Jib Crane."

Fig. 9. "Luggage Barrow."
— Royal Manual.

*Fig. 30. "Swing Bridge."

Fig. 31. "Bridge with Signals."

Fig. 41. "Cable Railway."

Fig. 45. "Swiveling & Luffing Jib Crane."

Fig. 43. "Tower Wagon."

Fig. 48. "Inclined Delivery Shoot."

Fig. 49. "Fire Escape."

Fig. 39. "Pit Headgear."

"This is a most interesting model and shows the principle upon which ore is raised from a good many western mines."

"The builder is now ready for the construction of the frame work in which the cage moves up and down. Four 5½" Perforated Strips are bolted in the third hole and extended from the main upright frame. A 12½" and 5½" Perforated Strip are then bolted together and fastened to the small Rectangular Plate by means of two Angle Brackets at the top, and bolted fast to the four 5½" Perforated Strips extending from the frame."

"The hoisting apparatus operates by means of a crank

Fig. 46. "Pit Headgear."

"This is a most interesting model, showing the principle upon which minerals are raised from below the ground."

"The framework in which the cage moves is formed by connecting a 5½" strip with a 12½" strip in the second hole to form the uprights. These are connected by 5½" strips to the main uprights. The framework takes the same angle as the main uprights, and is connected at the top by a small rectangular plate and two angle brackets, and at the bottom by a 5½" strip."

"The hoisting mechanism is operated by the crank

passed through to the third hole of the 12½" horizontal strip."

handle, upon which is keyed a ¾" pinion engaging a gear wheel connected with the spindle over which the hoisting rope is wound."

Fig. 40. "Pile Driver."

* Fig. 41. "Swinging Bridge."

Fig. 42. "Railroad Crossing Gates."

Fig. 44. "Pile Driver."

* Fig. 42. "Swing Bridge."

Fig. 47. "Level Crossing Gates."

"This model should be constructed with considerable care as all of the parts must operate simultaneously in order to have all four gates open and close by the operation of the lever."

"This model, if constructed with care, is a most admirable one, as the gates are opened simultaneously by the operation of one lever."

"In the inverted view, we show the arrangement of the operating cord, and you will note that this cord is wound in opposite directions around every other pulley. This is done so as to have the two gates move in opposite directions at the same time. It is desirable to wind the operating cord twice around each pulley in order to give it a better grip."

"Fig. 47^b is an inverted view showing the arrangement of operating cord 1 which is passed from the operating lever 2, around the corner pulleys 3, and back to the lever 2. In order to obtain a better grip on the pulleys, it is desirable to wind the operating cord twice around them. It is to be noted that the cord 1 is wound in opposite directions around the diagonal pairs of pulleys 3."

NOTE: Defendants' use of an inverted view the same as Plaintiff's.

Fig. 43. "Suspended Railroad Bridge."

Fig. 44. "Aerial Swing."

Fig. 62. "Viaduct Bridge."

Fig. 60. "Flying Machine."

"Every boy has taken a ride on an Aerial Swing, and the building of one will be extremely interesting."

"Most boys will have seen the Maxim Flying Machine at work, and will hardly fail to be interested in constructing a working model of it."

* See reproductions of these illustrations following.

The main supporting frame is made of two large Rectangular Plates to which are bolted four upright Angle Girders fastened at the top to the small Rectangular Plate. The crank to which the $\frac{3}{4}$ " pinion Wheel is attached is supported by two small Rectangular Plates bolted fast to the two large Rectangular Plates."

The main frame is composed of four angle girders connected at the bottom by two large rectangular plates separated one hole apart and connected together by two small rectangular plates carrying the crank handle, and at the top by a small rectangular plate."

* Fig. 45. "Warehouse with Elevator."

Fig. 47. "Overhead Double Action Traveling Crane."

*Fig. 48. "Suspension Bridge."

Fig. 49. "Cable Span."

"This is a model of an apparatus that is used in hilly countries for transporting ore and other substances across gulleys or deep ravines."

Fig. 50. "R. R. Semaphore."

Fig. 51. "Coal Elevator."

Fig. 52. "Travelling Hoist."

Fig. 54. "Rotating Derrick."

Fig. 55. "White City Flip-Flap."

- *Fig. 56. "London Tower Bridge."

- *Fig. 58. "Ferris Wheel."

Fig. 59. "Swinging Gate."

*Page 55. See "Price List of Separate Parts" and group picture of same.

*Page 56. See table of "Contents of Outfits."

Page 57. See "Price List of Outfits."

* Fig. 65. "Warehouse with Elevator."

Fig. 61. "Traveling Crane."

*Fig. 64. "Suspension Bridge"

Fig. 74. "Telfer Line."

"This figure represents a Telfer Line such as is used in hilly countries for transporting loads across intervening valleys."

Fig. 77. "Signal Gantry."

Fig. 73. "Coal Tip."

Fig. 75. "Traveling Gantry."

Fig. 82. "Rotating Crane."

Fig. 83. "Flip-Flap."

*Fig. 81. "Tower Bridge."

*Fig. 86. "Big Wheel."

Model 2 of Hornby System.

*Page 47. See "Price List of Additional Parts" and group picture of same.

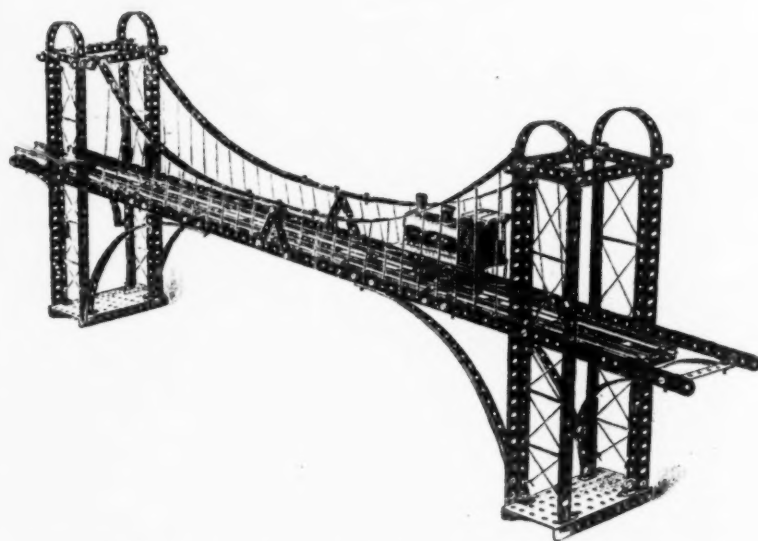
*Page 46. See table of "Contents of Outfits."

Page 48. See "Price List."

* See reproductions of these illustrations following.

Fig. No. 64. Suspension Bridge.

(MADE WITH MECCANO NO. 4 OR NO. 3 AND NO. 3A.)



*Parts required in
addition to Outfits*

PARTS REQUIRED.		No. 1	No. 2	No. 3
14	12 1/2" Perforated Strips	10	4	—
18	5 1/2" " "	14	2	—
4	3 1/2" " "	3	2	—
8	2 1/2" " "	—	—	—
8	Angle Girders	8	4	—
30	Angle Brackets	20	14	4
103	Nuts and Bolts	85	53	33
2	Large Rectangular Plates	1	1	—
3	Small Rectangular Plates	3	3	—

The end towers of this model are built up from four angle girders carried from large rectangular plates at the base.

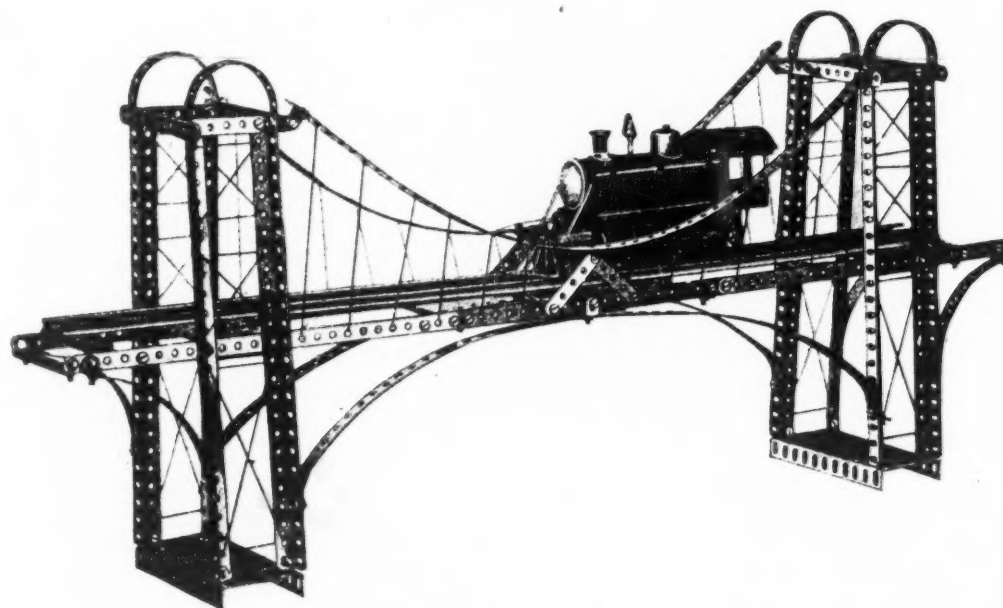
The rail track platform is coupled to the towers by small rectangular plates. A third small rectangular plate being disposed at the centre of the track platform. Two 3 1/2" strips are connected to the side strips of the girder platform between the end and middle rectangular plates and one at each end. Any suitable track rails may be laid across the girder platform.

The engine and rails shown in the illustration are not included in the outfit, and are merely shown for purposes of illustration.

SUSPENSION BRIDGE

Fig. No. 48

PARTS REQUIRED	Parts Required in Addition to Outfits		
	No. 2	No. 3	No. 4
8 12½" Angle Girders.....	8	4	....
14 12½" Perforated Strips..	10	4	4
12 5½" Perforated Strips..	8	....	....
6 3½" Perforated Strips..	4	3	....
8 2½" Perforated Strips..	....	....	....
36 Angle Brackets.....	26	20	10
2 Large Rectangular Plates.	1	1	....
3 Small Rectangular Plates.	3	3	....
108 Nuts and Screws.....	78	58	38



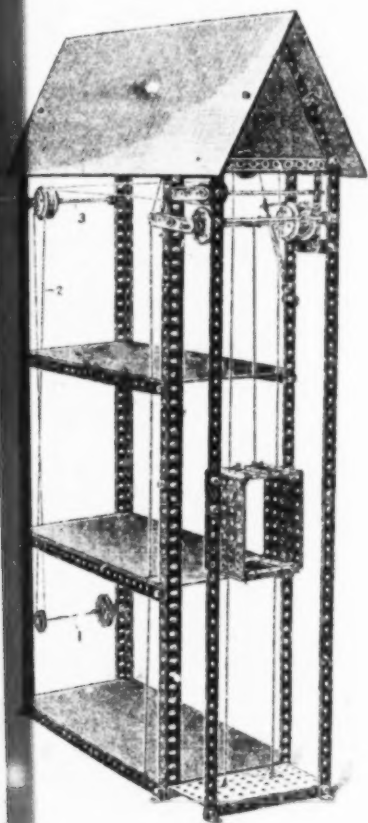
Made with The American Model Builder Outfit No. 5. or 4 and 4¼.

In this model, the towers are made first and are constructed of four 12½" Angle Girders fastened at the bottom to a large Rectangular Plate and tied together at the top with a 2½" Perforated Strip. Two 5½" Perforated Strips are then bent in circular form and bolted fast to the top of these Angle Girders. These two towers are then tied together with 3 12½" Perforated Strips all bolted together. These should be fastened in the thirteenth hole from the bottom of the Angle Girders. Between these strips on the inside of the towers is fastened a small Rectangular Plate and a small Rectangular Plate is also fastened in the center of these strips. To these should be bolted the track on which the engine runs. The engine and the track in this cut are simply for an illustration and are not included in the regular outfit.

Page 25 -- Plaintiff's Exhibit 38
Plaintiff's 1911 Manual.

Fig. No. 65. Warehouse with

(MADE WITH MECCANO
 WITH NO. 3 AND 4



PARTS REQUIRED.

12	12"	Perforated Strips
8	5 1/2"	" "
2	3 1/2"	" "
1	3"	" "
7	2 1/2"	" "
8		Angle Girders
20		Angle Brackets
2	6"	Rods
2	5"	" "
1	4 1/2"	" "
2	3 1/2"	" "
4		Flanged Wheels
1	1 1/2"	Pulley Wheel
4	1 1/2"	" "
1	1"	Pinion
1		Gear Wheel
80		Nuts and Bolts
1		Hook
10		Keys
1		Spring
2		Large Rectangular Plates
3		Small " "

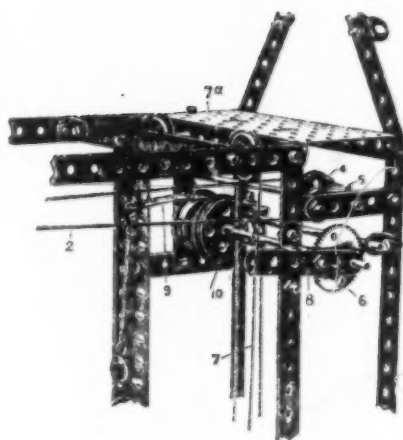
geared with the gear wheel
 the wheel spindle. The
 band engaging the brak
 operation of throwing the
 takes releases the br
 releasing the operating
 being engaged, the cage is

th Elevator.

G OUTFIT No. 4 OR
ND No. 3A.)

Parts required in
addition to Outfits

No. 1	No. 2	No. 3
9	—	—
4	—	—
1	—	—
1	1	—
—	—	—
8	4	—
19	13	—
2	2	1
3	—	—
—	—	—
4	—	—
1	1	—
—	2	—
1	1	—
1	1	—
66	36	16
—	—	—
10	8	—
1	1	1
1	1	—
3	3	—

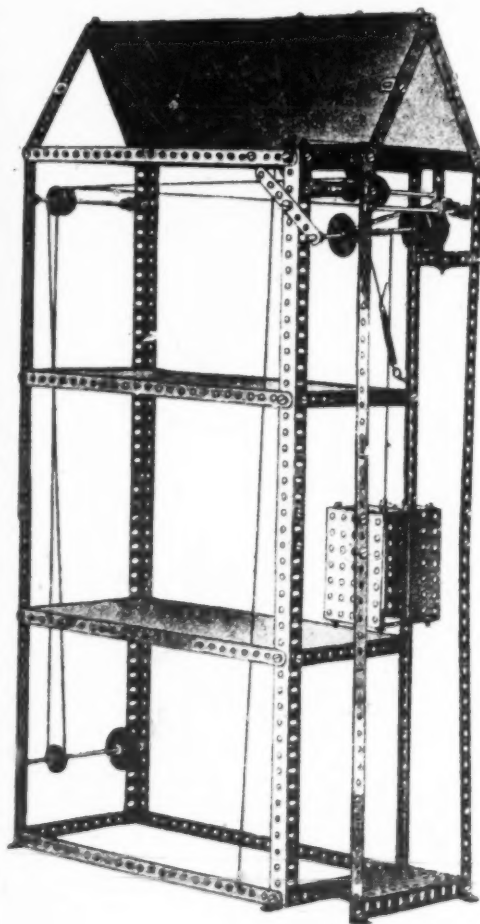


The structure of the warehouse is built up of corner members made from pairs of angle girders overlapped three holes and bolted together in the middle hole. These are connected at the sides by $12\frac{1}{2}$ " strips, and at the ends, top and bottom, by $5\frac{1}{2}$ " strips, and a large rectangular plate to form the floor for the elevator arrangement.

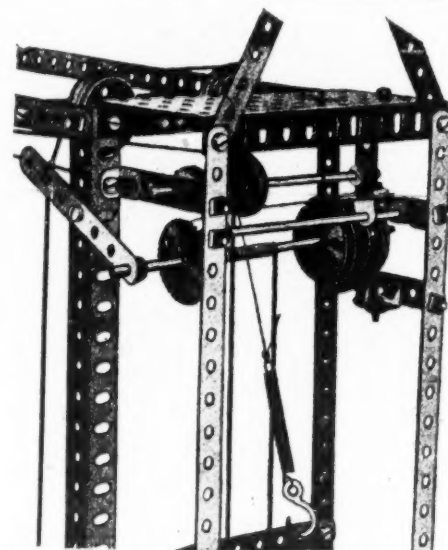
The driving shaft 1 is connected to the grooved pulley 4 by belt 2 passing over loose pulleys and shaft 3. The shaft carrying the pulley 4 is fitted with a $\frac{3}{4}$ " pinion 5, and is adapted to be wheel 6 by operating the cord 7 controlling the lever 8 which carries the brake driven pulley 10 mounted on the winding spindle. The one the gear wheel 6 into engagement with the driving pinion 5, simultaneously engages the brake 9 and enables the cage to be hoisted. By only partially engaging cord 7 the gears 5 and 6 are disconnected without the brake 9 engaged. The cage is then allowed to descend freely.

WAREHOUSE WITH ELEVATOR

Fig. No. 45



PARTS REQUIRED	Parts Required in Addition to Outfit			
	No. 2	No. 3	No. 4	
8 12 1/2" Angle Girders.....	8	4		
13 12 1/2" Perforated Strips...	9	3	3	
13 5 1/2" Perforated Strips...	9			
2 3 1/2" Perforated Strips.....				
7 2 1/2" Perforated Strips.....				
2 Large Rectangular Plates...	1	1		
2 Small Rectangular Plates...	2	2		
27 Angle Brackets.....	17	11	1	
1 1 3/4" Spring.....	1	1	1	
1 1 1/2" Pulley Wheel.....	1	1	1	
4 1" Pulley Wheels.....		2		
4 Flanged & Grooved Wheels.....	4			
1 1 1/2" Gear Wheel.....	1	1		
1 3/4" Pinion Wheel.....	1	1	1	
1 Hook.....				
2 6" Axle Rods.....	2	2	2	
3 5" Axle Rods.....	3			
2 2" Axle Rods.....				
8 Collars and Set Screws.....	4	4	2	
92 Nuts and Screws.....	62	42	22	



This is a very ingenious model and is a copy of the elevators used for the storage of grain. When completed it will afford a great deal of pleasure to the builder. The main frame work is very simple and can easily be constructed by referring to the cut.

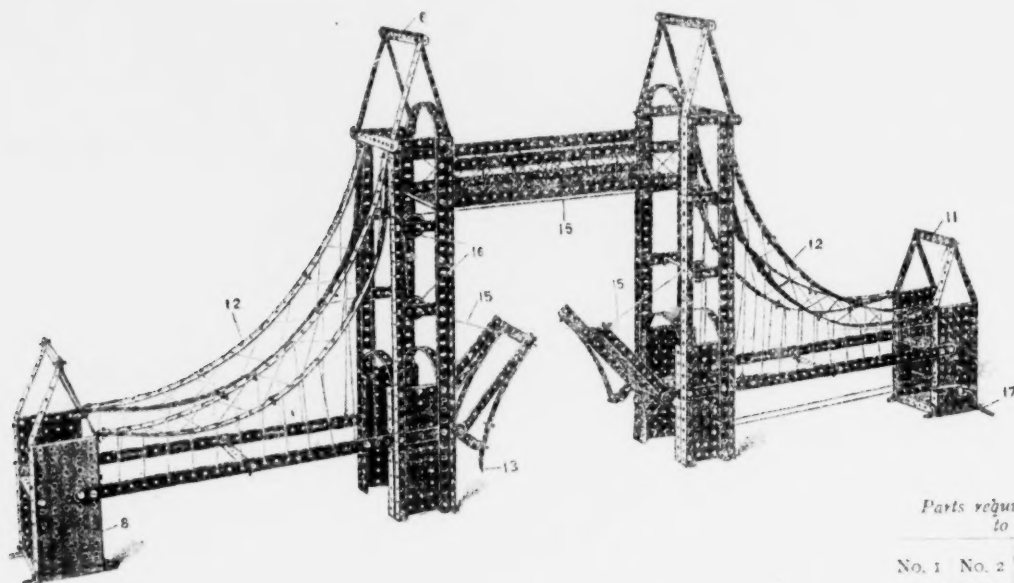
The gearing is the most important part, and in order that this may be properly assembled, we have shown an enlarged view of this. As you will note from the cut this model is to be operated by a small motor which should be belted to the 1 1/2" Pulley Wheel on the lower Axle Rod. This can, however, be operated by hand by simply substituting a crank instead of a straight Axle Rod. The main driving belt is carried from the 1" Pulley Wheel on the lower axle over the two 1" Pulley Wheels on the upper axle, then over the 1" Pulley Wheel that is attached to the axle supported in the center of the frame carrying the elevator. A 3/4" Pinion Wheel is also attached to this same axle which furnishes the power for raising and lowering the cage. The axle carrying the 1 1/2" Gear Wheel is fastened through the third hole from the bottom of the 3 1/2" upright strip and through the end hole of the 3 1/2" Oscillating Strip. The two Flanged and Grooved Wheels are also fastened to this axle close to the 3 1/2" Perforated Strips. These are used as a brake drum to prevent the cage from dropping down quickly when the gear is thrown out of mesh. A 5 1/2" Perforated Strip provides the brake lever which passes over this brake drum. This is fastened at one end to two Angle Brackets which are supported by the third Axle Rod.

In order to place the proper tension on the brake, it is necessary to attach a 1 3/4" Spring to the cross frame and to this a cord is attached engaging the brake lever and passing over the two Flanged and Grooved Wheels at the top and fastened to the Oscillating arm which supports the 1 1/2" Gear Wheel. This cord is then fastened to the bottom of the frame. When it is desired to move the cage up and down, it is only necessary to pull on the cord that is attached to the Oscillating arm until the 1 1/2" Gear Wheel meshes with the 3/4" Pinion Wheel. When it is desired to lower the elevator, simply release this cord and the cage will drop down of its own weight. The roof and flooring are made of stiff card board cut to size.

Made with The American Model Builder Outfit No. 5, or 4 and 4 1/4.

Fig. No. 81. Tower Bridge.

(MADE WITH MECCANO OUTFIT NO. 6 OR NO. 5 AND NO. 5A).



Parts required in addition to Outfits

PARTS REQUIRED.

	No. 1	No. 2	No. 3	No. 4	No. 5
22 12 1/2" Perforated Strips	18	12	12	8	8
34 5 1/2" " "	30	18	16	14	10
12 3 1/2" " "	11	10	6	6	—
12 2 1/2" " "	3	—	—	—	—
10 12 1/2" Angle Girders	10	6	2	2	1
2 5 1/2" " "	12	12	12	12	12

Parts required in addition to Outfits

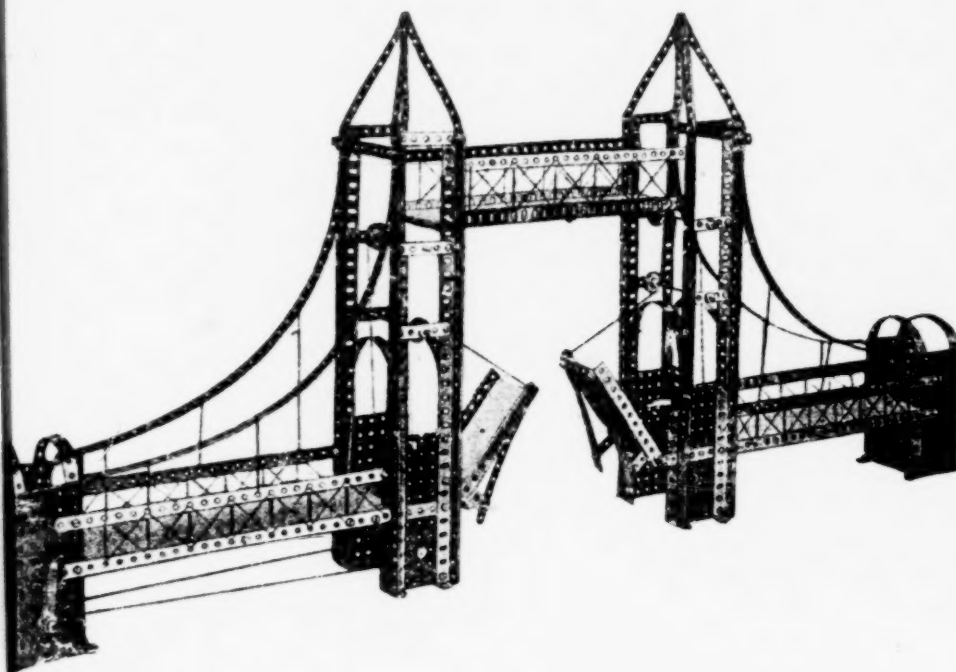
	No. 1	No. 2	No. 3	No. 4	No. 5
28 Angle Brackets	18	12	2	—	—
4 5" Rods	4	1	—	—	—
2 4 1/2" " "	—	—	—	—	—
1 Crank Handle	—	—	—	—	—
6 1" Pulley Wheels	—	4	2	1	—
1 3/4" Pinion	1	4	—	—	—
1 1/2" " "	1	—	—	—	—
1 Gear Wheel	1	1	—	—	—
1 Pawl	1	—	—	—	—
18 3 Nuts and Bolts	153	133	113	73	23
18 Keys	9	7	—	—	—
2 Large Bent Strips	2	2	1	1	—
2 Springs	2	2	2	1	1
8 Large Rectangular Plates	7	7	6	6	4
4 Small " "	4	4	1	1	—

PLAINTIFF'S ILLUSTRATIONS.

From Plaintiff's 1911 Manual,
Copyright 1911, dated Aug. 14,
1911, Ps. Ex. 38.

LONDON TOWER BRIDGE

Fig. No. 56



Made with The American Model Bu'lder Outfit No. 7, or 6 and 6½.

PARTS REQUIRED	Parts Required in Addition to Outfits				
	No. 2	No. 3	No. 4	No. 5	No. 6
6 1" Pulley Wheels.....	.....	4	2	1	.....
1 ½" Pinion Wheel.....	1	.....	.....	.....	.....
18 Collars and Set					
Screws.....	14	14	12	10	4
1 Pawl.....	1	.....	.....	.....	.....
4 5" Axle Rods....	4	1	.....	.....	.....
1 4½" Axle Rods...	.....	.....	.....	.....	.....
1 6½" Crank.....	1	1	1	.....	.....
10 12½" Angle					
Girders.....	10	6	2	2	1
10 5½" Angle Girders	10	10	10	10	10
20 12½" Per. Strips.	16	10	10	6	6
26 5½" Per. Strips.	22	10	8	6	2
9 3½" Per. Strips.	7	6	3	3	.....
14 2½" Per. Strips.	5	.....	.....	.....	.....
2 Large Bent Strips.	2	2	1	1	.....
26 Angle Brackets...	16	10	.....	.....	.....
8 Large Rect. Plates	7	7	6	6	4
4 Small Rect. Plates	4	4	1	1	.....
130 Nuts and Screws..	150	130	110	70	20

From Defendants' 1918 Manual,
 Ps. Ex. #10.

DEFENDANTS' ILLUSTRATIONS

EXAMPLES OF DEFENDANTS' COPYING
OF PLAINTIFF'S MODELS AND COPYRIGHTED MATTER.

PLAINTIFF'S ILLUSTRATIONS.

From Plaintiff's 1911 Manual,
Copyright 294,670, dated Aug. 14,
1911, Ps. Ex. 38.

Fig. No. 86. Big Wheel.

(MADE WITH MECCANO OUTFIT NO. 6 OR NO. 5 AND NO. 5A)

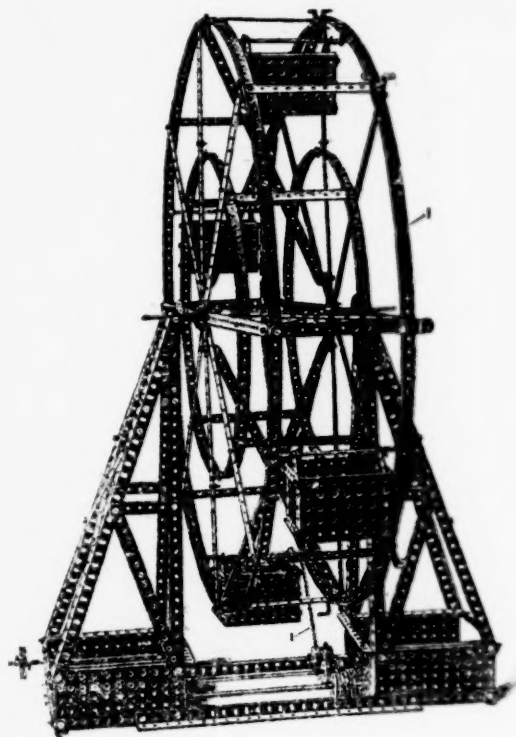


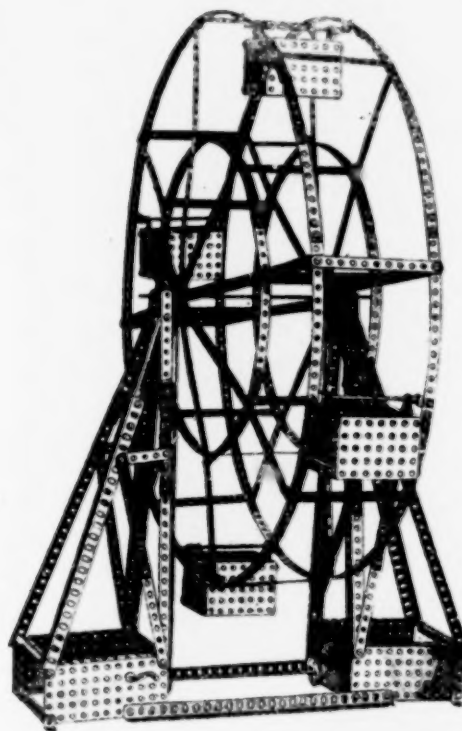
FIG. 86A.

DEFENDANTS' ILLUSTRATIONS.

From Defendants' 1912 Manual,
Ps. Ex. #10.

FERPIS WHEEL

Fig. No. 58

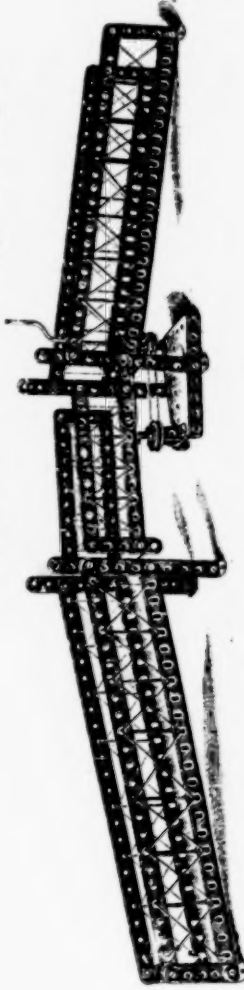


EXAMPLES OF DEFENDANTS' COPYING
OF PLAINTIFF'S MODELS AND COPYRIGHTED MATTER.

PLAINTIFF'S ILLUSTRATIONS.

From Plaintiff's 1911 Manual,
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1911, Pa. Ex. 38.

Fig. No. 30. Swing Bridge.



DEFENDANTS' ILLUSTRATIONS.

From Defendants' 1912 Manual,
Pa. Ex. #10.

CANAL TURN BRIDGE

Fig. No. 32

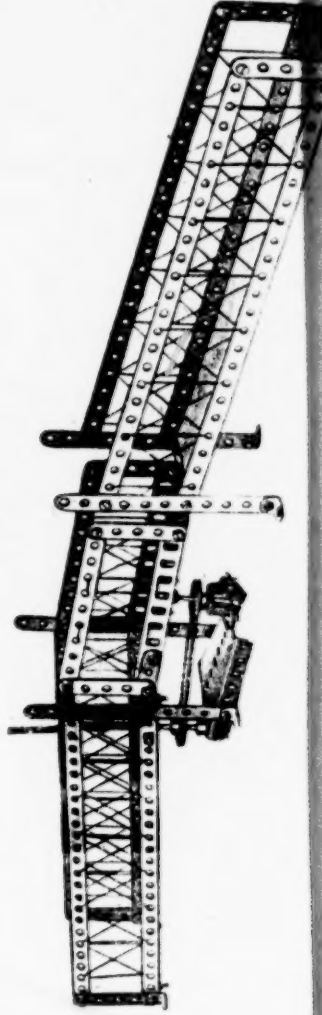
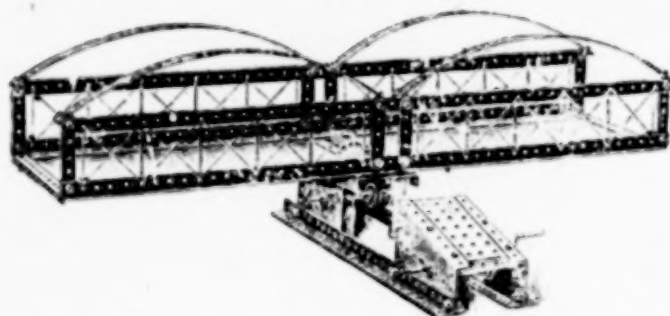


Fig. No. 42. Swing Bridge.

(MADE WITH MECCANO OUTFIT NO. 3 OR NO. 2 AND NO. 2A)



Parts required in addition to Outfits

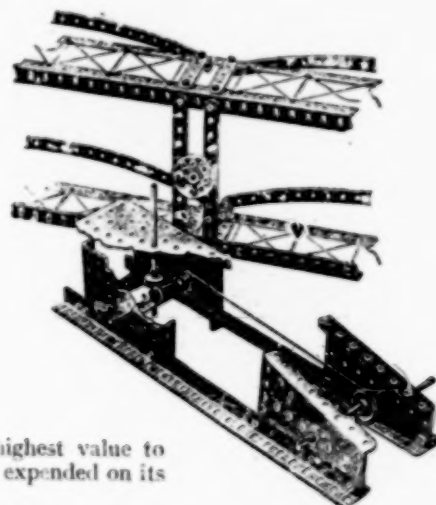
PARTS REQUIRED.	No. 1.	No. 2.
12 1/2" Perforated Strips	4	—
5 1/2" " "	—	—
2 1/2" " "	—	—
Angle Girders	—	—
Angle Brackets	—	—
4 1/2" Rods	—	—
Crank Handle	—	—
1" Pulleys	—	—
Bush Wheel	—	—
1/2" Pinion	—	—
Worm Wheel	1	1
Nuts and Bolts	40	10
Keys	2	—
Large Rectangular Plate	—	—
Small " "	2	3
Sector Plates	—	—

This is a fine engineering model of the highest value to the young student, and any thought and care expended on its construction will be well repaid.

The base portion containing the perpendicular axle actuated by the worm and pinion should be constructed first.

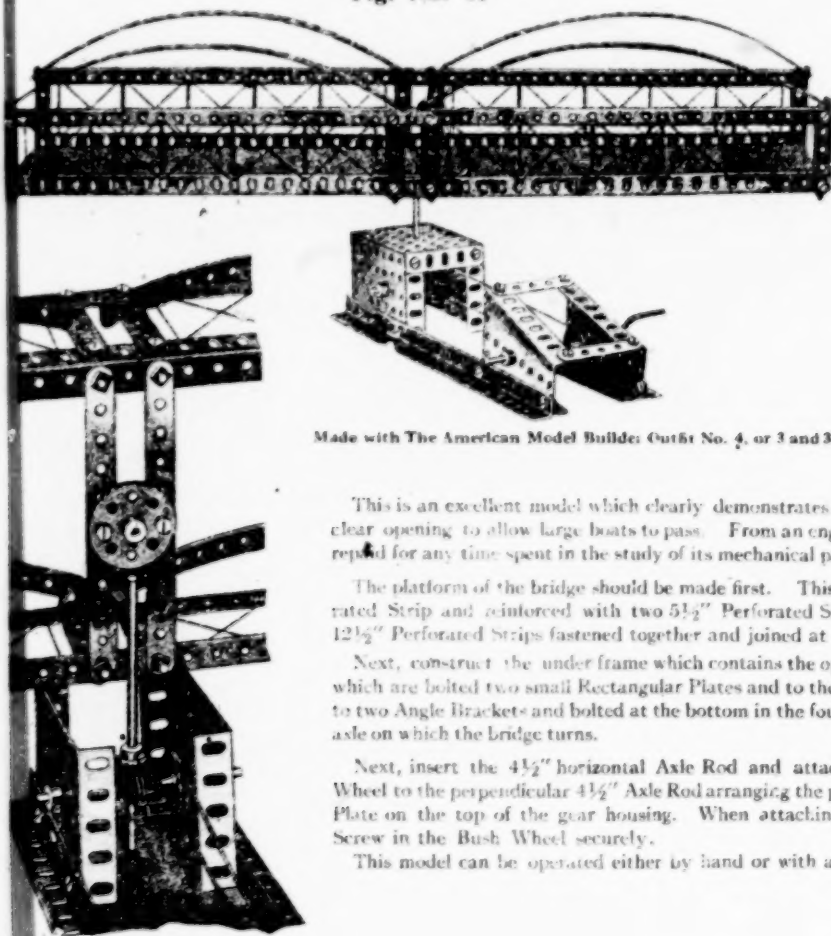
This, as will be seen by the illustration, is formed by connecting a small rectangular plate to an angle girder three holes from one end and a sector plate at the other end to form one side of the base. The other side is constructed in a similar manner. These two sides are then connected together at one end by a large rectangular plate containing the spindle, upon which the bridge swings, and at the other by a small rectangular plate. A 2 1/2" strip is connected by two angle brackets to the angle girders to carry the lower portion of the perpendicular axle upon which the bridge swings. A 1/2" pinion is keyed to this axle, which is operated by the horizontal spindle upon which is keyed a worm wheel. A pulley wheel is also keyed to this spindle around which a driving rope passes from the pulley at the other end of the base keyed to a crank handle as shown in the illustration.

The platform is constructed by connecting two angle girders in the third holes. Two 2 1/2" strips are attached to these in the centre and one at each end, with two 12 1/2" strips along the top. Two 12 1/2" strips are curved and connected by four angle brackets to form one side of the bridge. The other side is formed in a similar manner, and both are connected together by 1 1/2" strips at the end and in the centre. Attached to the two 5 1/2" strips in the centre is a bush wheel upon which the platform rotates.



SWINGING BRIDGE

Fig. No. 41



Made with The American Model Builder Outfit No. 4, or 3 and 31½

Parts Required in
Addition to Outfits

PARTS REQUIRED	No. 2 No. 3	
	No. 2	No. 3
6 12½" Angl. Girders	6	2
8 12½" Perforated Strips	4	
4 5½" Perforated Strips		
12 2½" Perforated Strips	3	
2 Sector Plates		
3 Small Rectangular Plates	3	3
10 Angle Brackets		
2 4½" Axle Rods		
1 5½" Crank		
4 Collars and Set Screws		
56 Nuts and Screws	26	6
2 1" Pulley Wheels		
1 ½" Pinion Wheel	1	
1 Worm Wheel	1	1
1 Bush Wheel		

This is an excellent model which clearly demonstrates the mechanical workings of a Swinging Bridge, where it is necessary to have a clear opening to allow large boats to pass. From an engineering standpoint, this model cannot be excelled and the builder will be well repaid for any time spent in the study of its mechanical parts.

The platform of the bridge should be made first. This is constructed of two 12½" Angle Girders tied at each end with a 5½" Perforated Strip and reinforced with two 5½" Perforated Strips in the center as shown in the sectional view. The sides are made of two 12½" Perforated Strips fastened together and joined at the ends and in the center to the upright 2½" Perforated Strips.

Next, construct the under frame which contains the operating mechanism. This is made of two 12½" Angle Girders to one end of which are bolted two small Rectangular Plates and to the other end two Sector Plates. A 2½" Perforated Strip should then be fastened to two Angle Brackets and bolted at the bottom in the fourth hole of the small Rectangular Plate. This forms the lower support for the axle on which the bridge turns.

Next, insert the 4½" horizontal Axle Rod and attach to this a 1" Pulley Wheel and a Worm Gear. Then fasten a ½" Pinion Wheel to the perpendicular 4½" Axle Rod arranging the pinion so it will mesh with the Worm Gear. Then fasten a small Rectangular Plate on the top of the gear housing. When attaching the bridge to the 4½" upright Axle Rod, be sure and fasten the Set Screw in the Bush Wheel securely.

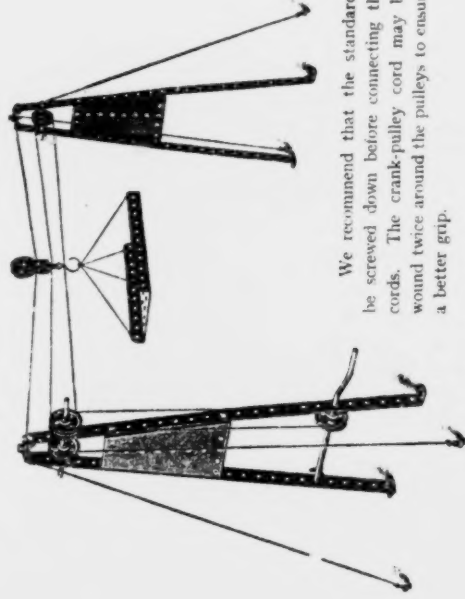
This model can be operated either by hand or with a small motor that is equipped with a reversing mechanism.

PLAINTIFF'S ILLUSTRATIONS.

From Plaintiff's 1911 Manual,
Copyright 294,670, dated Aug. 14,
1911, Pa. Ex. 38.

Fig. No. 15. Model of Telpher Span.

(MADE WITH MECCANO OUTFIT No. 1.)



We recommend that the standards be screwed down before connecting the cords. The crank-pulley cord may be wound twice around the pulleys to ensure a better grip.

PARTS REQUIRED.

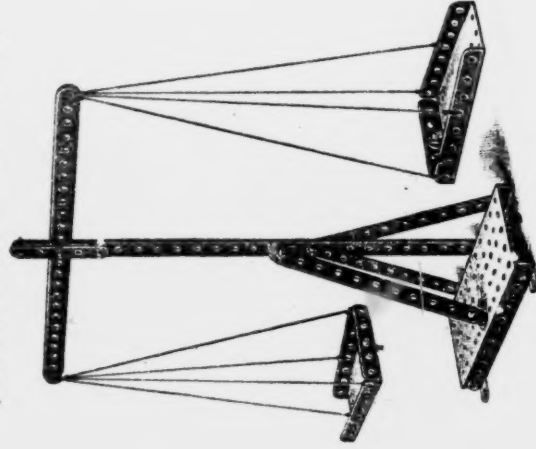
4 12 1/2" Perforated Strips.
8 Angle Brackets.
1 4 1/2" Rod.
1 "

1 Crank Handle.
5 Pulley Wheels.
19 Nuts and Bolts.
4 Wood Screws.
1 Hook.

9 Keys.
1 Single Bent Strip.
1 Large Rectangular Plate.
2 Sector Plates.

Fig. No. 17. Scales.

(MADE WITH MECCANO OUTFIT No. 1.)



PARTS REQUIRED.

2 12 1/2" Perforated Strips. 19 Nuts and Bolts.
3 5 1/2" " " 4 Wood Screws.
3 2 1/2" " " 1 Large Rectangular Plate.
8 Angle Brackets. 2 Sector Plates.

DEFENDANTS' ILLUSTRATIONS.

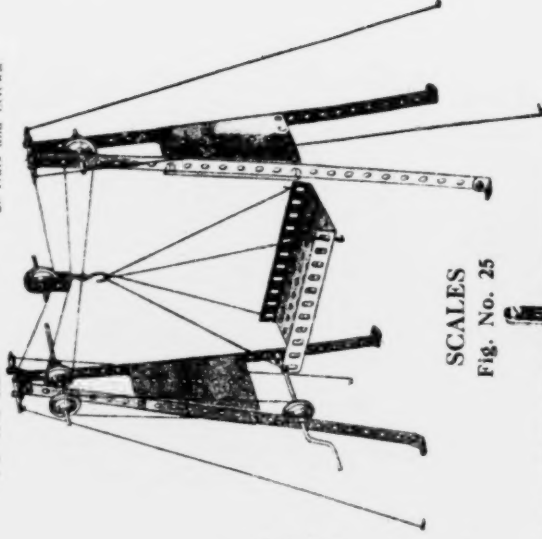
From Defendants' 1913 Manual,
Pa. Ex. #10.

SIMPLE TELPHER SPAN

Fig. No. 21

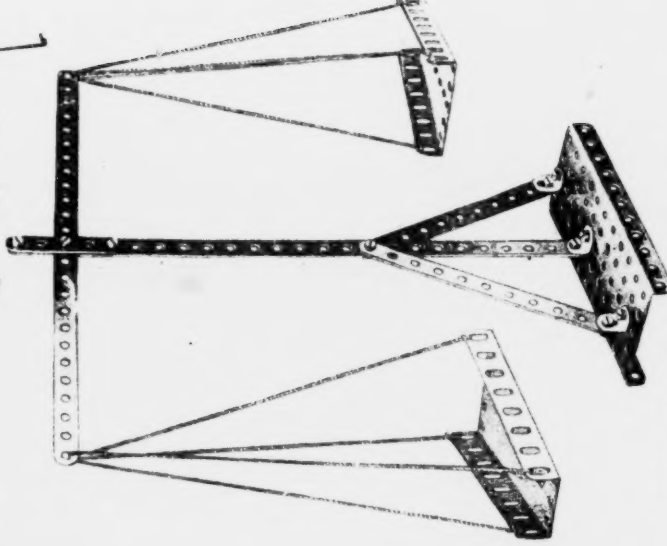
PARTS REQUIRED.

4 12 1/2" Perforated Strips.
2 2 1/2" Perforated Strips.
2 Sector Plates.
1 Large Rectangular Plate.
1 5 1/2" Crank.
4 4 1/2" Axle Rod
1 2" Axle Rod
5 1" Pulley Wheels.
4 Wood Screws.
1 Single Bent Strip.
1 Hook.
8 Angle Brackets.
4 Collars and Set Screws.
20 Nuts and Screws.



SCALES

Fig. No. 25



Made with The American Model Builder, Outfit No. 2 or 1 and 1 1/2

PARTS REQUIRED.

2 12 1/2" Perforated Strips.
2 5 1/2" Perforated Strips.
1 2 1/2" Perforated Strip.
2 Sector Plates.
1 Large Rectangular Plate.
3 Angle Brackets.
10 Nuts and Screws.

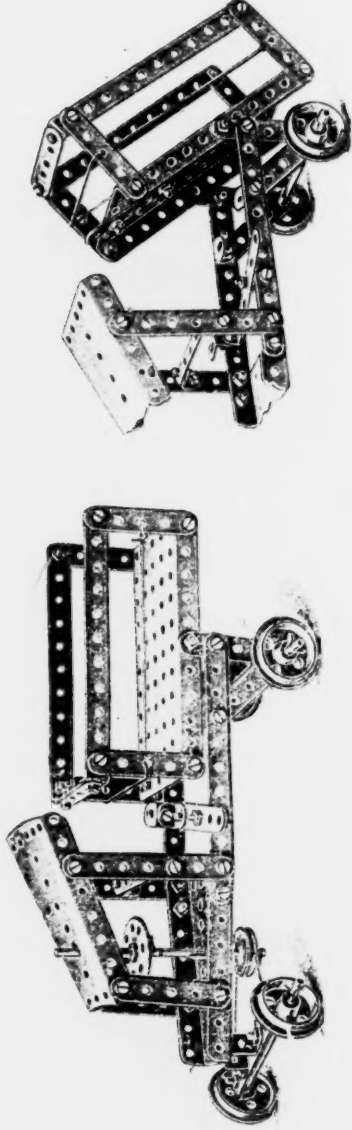
EXAMPLES OF DEFENDANTS' COPYING
OF PLAINTIFF'S MODELS AND COPYRIGHTED MATTER.

PLAINTIFF'S ILLUSTRATIONS.

From Plaintiff's 1911 Manual,
Copyright 394,670, dated Aug. 14,
1911, Pa. Ex. 38.

Fig. No. 26. Tipping Motor Wagon.

No. 1 AND No. 1A.)

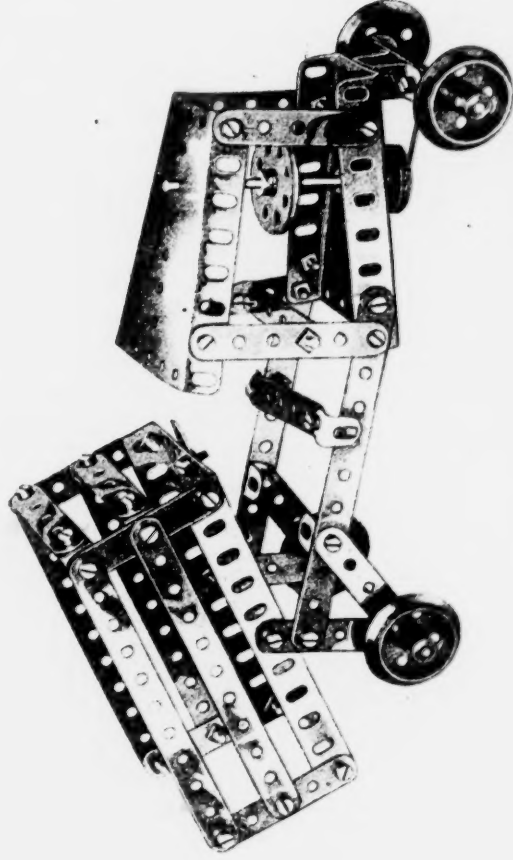


DEFENDANTS' ILLUSTRATIONS.

From Defendants' 1912 Manual,
Pa. Ex. #10.

MOTOR DUMPING TRUCK

Fig. No. 27



Plaintiff's Exhibit 38
Plaintiff's 1911 Manual. Contents of Outfits.

DESCRIPTION OF PARTS.	1	1A	2	2A	3	3A	4	4A	5	5A	6
12 ¹ / ₂ Perforated Strips	4 ¹ / ₂	6 ¹ / ₂	10	—	10	4	14	—	14	34	48
5 ¹ / ₂ " " " " " " " " " "	4 ¹ / ₂	12 ¹ / ₂	16	2	18	2	20	4	24	36	60
3 ¹ / ₂ " " " " " " " " " "	—	1 ¹ / ₂	2	4	6	—	6	11	17	19	36
3 ¹ / ₂ " " " " " " " " " "	—	—	—	2	2	2	4	4	8	16	24
2 ¹ / ₂ " " " " " " " " " "	9 ¹ / ₂	5 ¹ / ₂	14	—	14	4	18	26	—	4	48
2 ¹ / ₂ " " " " " " " " " "	—	—	—	—	—	—	—	6	—	18	24
12 ¹ / ₂ Perforated Angle Girders	—	4 ¹ / ₂	4	4	8	—	8	1	9	11	20
5 ¹ / ₂ " " " " " " " " " "	—	—	—	—	—	—	—	—	—	12	12
Angle Brackets	10	6 ¹ / ₂	16	10	26	18	44	9	53	115	168
11 ¹ / ₂ Rods	—	—	—	—	—	2	2	—	2	2	4
8 " " " " " " " " " "	—	—	—	—	—	—	—	—	—	1	1
6 " " " " " " " " " "	—	—	—	—	—	2	2	2	4	—	4
5 " " " " " " " " " "	—	3 ¹ / ₂	3	1	4	—	4	—	4	—	4
4 ¹ / ₂ " " " " " " " " " "	3	—	3	—	3	—	3	—	3	1	4
3 ¹ / ₂ " " " " " " " " " "	—	—	—	—	—	—	—	—	2	2	4
2 " " " " " " " " " "	2	—	2	1	3	1	4	1	5	1	6
Crank Handles	1	—	1	1	2	1	3	—	4	—	4
Flanged and Grooved Wheels	—	4 ¹ / ₂	4	—	4	4	8	—	8	—	8
1 ¹ / ₂ Pulley Wheels	—	—	—	1	1	—	1	1	2	—	2
1 " " " " " " " " " "	6	—	2	2	4	1	5	1	6	—	6
1 " " " " " " " " " "	—	—	—	1	1	—	1	5	6	—	6
Bush Wheels	1	—	1	—	1	—	1	—	1	3	4
Pinion Wheels	—	—	—	2	2	—	2	1	3	—	3
1 " " " " " " " " " "	—	1 ¹ / ₂	1	1	2	—	2	—	2	—	2
Gear Wheels	—	—	—	1	1	—	1	1	2	—	2
1 ¹ / ₂ Contrate Wheels	—	—	—	—	—	1	1	—	1	1	2
1 " " " " " " " " " "	—	—	—	2	2	—	2	—	2	—	2
Worm Wheel	—	—	—	1	1	—	1	—	1	—	1
Pawl	—	1 ¹ / ₂	1	1	2	—	2	—	2	—	2
Spanner	—	1 ¹ / ₂	1	—	1	1	2	—	2	—	2
Keys	9	2	11	11	22	—	22	11	33	7	40
Screw Driver	1	—	1	—	1	—	1	—	1	1	2
Nuts and Bolts	20	30	50	20	70	40	110	50	160	340	500
Wood Screws	4	—	4	4	8	—	8	4	12	12	21
Hook	1	—	1	—	1	—	1	—	1	1	—
Hanks Cord	1	1	2	1	3	1	4	2	6	—	6
Cards	1	—	1	—	1	—	1	1	2	1	3
Propeller Blades	—	—	—	—	—	—	—	2	2	2	4
Chain	—	—	—	—	—	—	—	—	—	1	1
Springs	—	—	—	—	—	1	1	—	1	1	2
Single Bent Strips	1	—	1	—	1	—	1	1	2	1	3
Double " " " " " " " " " "	—	1 ¹ / ₂	1	—	1	—	1	—	1	7	8
Large " " " " " " " " " "	—	—	—	—	1	—	1	1	2	—	2
Large Rectangular Plates	1	—	1	1	2	—	2	2	4	4	3
Small " " " " " " " " " "	—	—	—	3	3	—	3	2	5	3	8
Sector Plates	2	—	2	—	2	—	2	—	2	2	4
Eye Pieces	—	—	—	—	—	2	2	—	2	2	4
Rubber Bands	—	—	—	—	—	1	1	1	2	2	4
Manual of Instructions	1	—	1	—	1	—	1	—	1	—	1

CONTENTS OF OUTFITS

	1	1½	2	2½	3	3½	4	4½	5	5½	6	6½	7
Flanged and Grooved Wheel				4	4		4	4	8		8		8
Pulley Wheels, 1½"						1	1		1	1	2		2
Pulley Wheels, 1"													
Pulley Wheels, ¾"	4	2	6		2	2	4	1	5	1	6		6
Bush Wheel						1	1	1	2	4	6		6
Pinion Wheel, ¾"	1		1		1		1		1		1	3	4
Pinion Wheel, ½"						2	2		2	1	3		3
Gear Wheel 1½"				1	1	1	2		2		2	1	3
Crown Gear, 1½"						1	1		1	1	2	1	3
Crown Gear, ¾"								1	1		1	1	2
Worm Wheel						2	2		2		2		2
Collar and Set Screw						1	1		1		1	1	2
Perforated Strip, 12½"	2	2	4		4	2	6	2	8	6	14	4	18
Perforated Strip, 12½"		4	4	6	10		10	4	14		14	34	48
Perforated Strip, 5½"	4		4	12	16	2	18	2	20	4	24	36	60
Perforated Strip, 3½"		2	2	1	3	3	6		6	11	17	19	36
Perforated Strip, 3"						2	2	2	4	4	8	16	24
Perforated Strip, 2½"	9		9	5	14		14	4	18	26	44	4	48
Perforated Strip, 2"										5	6	18	24
Angle Girder, 12½"				4	4	4	8		8	1	9	11	20
Angle Girder, 5½"												12	12
Angle Bracket	10		10	6	16	10	26	18	44	9	53	115	168
Single Bent Strip	1		1		1		1		1	1	2	1	3
Double Bent Strip				1	1		1		1		1	7	8
Large Bent Strip						1	1		1	1	2		2
Pawl				1	1	1	2		2		2		2
Spanner and Screw Driver	1		1		1		1	1	2		2		2
Screw Driver, Large				1	1		1		1		1	1	2
Hook		1	1		1		1		1		1	1	2
Rectangular Plate, Large	1		1		1	1	2		2	2	4	4	8
Rectangular Plate, Small						3	3		3	2	5	3	8
Sector Plate	1	1	2		2		2		2		2	2	4
Nuts	22	25	30	20	50	20	70	40	110	50	160	340	500
Machine Screws	22	25	30	20	50	20	70	40	110	50	160	340	500
Wood Screws		4	4		4	4	8		8	4	12	12	24
Axle Rod, 11½"								2	2		2	2	4
Axle Rod, 8"												1	1
Axle Rod, 6"								2	2				4
Axle Rod, 5"													4
Axle Rod, 4½"	2	1	3		3	1	4		4		4		4
Axle Rod, 3½"						3	1		4		4	2	6
Axle Rod, 2"	2		2		2	1	3	1	4	1	5	2	7
Cranks, 6½"								1	1	1	2	2	4
Cranks, 5½"	1		1		1		1		1		1	1	2
Cranks, 4½"						1	1		1	1	2	2	4
Spring								1	1	1	2	2	4
Eye Pieces								1	1		1	1	2
Oscillating Rack	1		1		1		1	1	2		2		4
Eccentric Drive Wheel						1	1	1	2		2		2
Cord, Heavy Blue, Hank		1	1	1	2	1	3	1	4	2	6		6
Cord, Green, 40 ft. Lengths	1		1	1									
Cord, Green, 80 ft. Lengths					1		1		1	1	2	1	3
Propeller Blades										2	2	2	4
Round Rubber Pulley Belt								1	1	1	2	2	4
Manual of Instruction		1	1	1	1	1	1	1	1	1	1	1	2
Instruction Book	1												

TABLE SHOWING DUPLICATION OF CONTENTS OF A MECCANO
No 1 OUTFIT in an AMERICAN MODEL BUILDER No 3 OUTFIT.

MECCANO 1911 Manual, Ps. Ex. 38 -	page 46	AMERICAN MODEL BUILDER 1913 Manual, Ps. Ex. 10.
Parts for	fit.	fit.
13½" Perforated Strips	4	Perforated Strip, 13½"
5½" "	4	Perforated Strip, 5½"
3½" "	1	Perforated Strip, 3½"
2½" "	9	Perforated Strip, 2½"
Angle Brackets	10	Angle Bracket
4½" Rods	3	Axle Rods, 4½"
2" "	3	Axle Rods, 2"
Crank Handles	1	Cranks, 5½"
1" Pulley Wheels	6	Pulley Wheels, 1"
Bush Wheels	1	Bush Wheel
Keys	9	-----
Screw-Driver	1	Spanner & Screw-Driver
Nuts and Bolts	30	Nuts
		Machine Screws
Wood Screws	4	Wood Screws
Hook	1	Hook
Hanks Cord	1	Cord, Heavy Blue, Hank
Cards Cord	1	Cord, Green, 40 ft. Lengths
Single Bent Strips	1	Single Bent Strip
Large Rectangular Plates	1	Rectangular Plate, Large
Sector Plates	3	Sector Plate
Manual of Instructions	1	Manual of Instruction
-----	-----	Collar and Set-Screw
-----	-----	Oscillating Rack
-----	-----	

Ps. Ex. 34 is a #1 Meccano 1911
Outfit, the contents of which is
listed in the column above.

Ps. Ex. 15 is a #3 American Model
Builder 1913 Outfit, the contents of
which is listed in the column above.

TABLE SHOWING DUPLICATION OF CONTENTS OF A MECCANO No 1A
"ACCESSORY OUTFIT" in an AMERICAN MODEL BUILDER #2½ "ACCESSORY OUTFIT":

MECCANO 1911 Manual, Ps. Ex. 38 -	page 46	AMERICAN MODEL BUILDER 1913 Manual, Ps. Ex. 10.
Parts for	fit.	fit.
13½" Perforated Strips	6	Perforated Strip, 13½"
5½" "	13	Perforated Strip, 5½"
3½" "	1	Perforated Strip, 3½"
2½" "	5	Perforated Strip, 2½"
Angle Girders	4	Angle Girder, 13½"
Angle Brackets	6	Angle Bracket
5" Rods	3	Axle Rod, 5"
Flanged & Grooved Wheels	4	Flanged & Grooved Wheel
2" Pinion Wheels	1	Pinion Wheel, 2"
Pawl	1	Pawl
Spanner	1	-----
Keys	1	-----
Nuts and Bolts	30	Nuts
		Machine Screws
Hanks Cord	1	Cord, Heavy Blue, Hank
Double Bent Strips	1	Double Bent Strip
-----	-----	Screw-Driver, Large
-----	-----	Cord, Green, 40 ft. Lengths
-----	-----	Manual of Instruction

PLAINTIFF'S 1911 OUTFITS AND DEFENDANTS' 1912 OUTFITS.

DEFENDANTS' PARTS IN 1913 OUTFITS.

Listed on pages 56-57 American Model
Builder 1913 Manual - P's. Ex. 10.

Perforated Strip, 12½"

Perforated Strip, 5½"

Perforated Strip, 3½"

Perforated Strip, 3"

Perforated Strip, 3½"


Perforated Strip, 3"

Angle Girder, 12½"

Angle Girder, 54" 


Angle Bracket

PLAINTIFF'S PARTS IN 1911 OUTFITS.


 Axle Rod, 11 $\frac{1}{2}$ " long

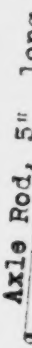
DEFENDANTS' PARTS IN 1913 OUTFITS.


 Axle Rod, 11 $\frac{1}{2}$ "


 Axle Rod, 8"


 Axle Rod, 6" long


 Axle Rod, 6"

 Axle Rod, 5" long

 Axle Rod, 5"


 Axle Rod, 4 $\frac{1}{2}$ " long

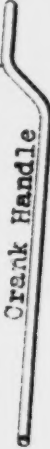
 Axle Rod, 4 $\frac{1}{2}$ "


 Axle Rod, 3 $\frac{1}{2}$ " long


 Axle Rod, 3 $\frac{1}{2}$ "

 Axle Rod, 2" long

 Axle Rod, 2"

 Crank Handle

 Cranks, 6 $\frac{1}{2}$ "

 Cranks, 5 $\frac{1}{2}$ "

 Cranks, 4 $\frac{1}{2}$ "

Flanged and Grooved Wheel



Flanged and Grooved Wheel



PLAINTIFF'S PARTS IN 1911 OUTFITS.

Pulley Wheel, $1\frac{1}{2}$ " diameter



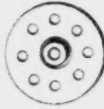
Pulley Wheel, 1" diameter



Pulley Wheel, $\frac{1}{2}$ " diameter



Bush Wheel



Pinion Wheel, $3/4$ " diameter



Pinion Wheel, $\frac{1}{2}$ " diameter



Gear Wheel, $1\frac{1}{2}$ " diameter



Contrate Wheel, $1\frac{1}{2}$ " diameter



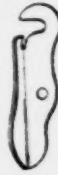
Contrate Wheel, $3/4$ " diameter



Worm Wheel



Pawl



Spanner



Keys



Screw Driver



Nuts and Bolts



DEFENDANTS' PARTS IN 1913 OUTFITS.

Pulley Wheels, $1\frac{1}{2}$ "



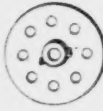
Pulley Wheels, 1"



Pulley Wheels, $\frac{1}{2}$ "



Bush Wheel



Pinion Wheel, $3/4$ "



Pinion Wheel, $\frac{1}{2}$ "



Gear Wheel $1\frac{1}{2}$ "



Crown Gear, $1\frac{1}{2}$ "



Crown Gear, $3/4$ "



Worm Wheel



Pawl



Spanner and Screw Driver



Screw Driver,
Large



{ Nuts
Machine Screws



PLAINTIFF'S PARTS IN 1911 OUTFITS.



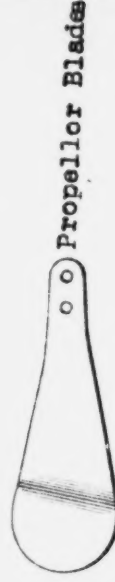
Card Cord
(Special)



Hank Cord



Propellor Blades



Propellor Blades



Chain

NOTE: A chain was added in
Defendants' 1913 Outfits



Spring



Spring



Single Bent Strip



Single Bent Strip



Double Bent Strip



Double Bent Strip



Large Bent Strip



Large Bent Strip

DEFENDANTS' PARTS IN 1913 OUTFITS.

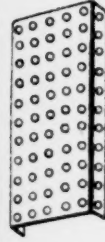
Cord, Heavy Blue, Hank
Cord, Green, 40 ft. Lengths
Cord, Green, 80 ft. Lengths



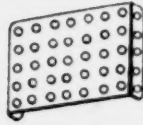
Perforated Rectangular Plate, Large



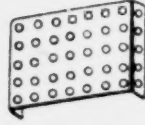
Rectangular Plate, Large



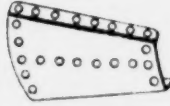
Perforated Rectangular Plate, Small



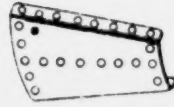
Rectangular Plate, Small



Perforated Sector Plate, Small



Sector Plate



Rubber Bands



Round Rubber Pulley Belt



Hook



Hook



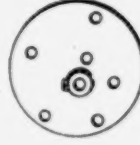
Collar and Set Screw



Oscillating Rack



Eccentric Drive Wheel



NOTE: The above illustrations of Plaintiff's parts are in accordance with said parts as they appeared in Meccano 1911 Outfits. The naming is that appearing at page 46, of Plaintiff's 1911 copyrighted Manual (P's. Ex. 38).

NOTE: The above illustrations and naming of Defendants' parts follow the illustrations and names on pages 76-77 of Defendants' 1913 Manual (P's. Ex. 63) and on page 55 of Defendants' 1913 Manual (P's. Ex. 10).



399 United States Circuit Court of Appeals for the Second Circuit.

MECCANO, LIMITED, Complainant-Appellee,

VS.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Re Petition of Meccano, Limited, for Rehearing.

Since plaintiff's said Petition for Rehearing was filed, we have received from Mr. Toulmin (Wagner's counsel in the Ohio litigation, and also Wagner's counsel defending the present case under Wagner's undertaking to save Wanamaker harmless, etc.), copy of a Second Petition for Rehearing addressed to the Circuit Court of Appeals for the Sixth Circuit. We file herewith a full copy of said papers as served upon us.

We note that said papers do not even suggest to the Court of Appeals for the Sixth Circuit the existence of the dissenting opinion of Judge Learned Hand, and present only a copy of the majority opinion of this Court.

We further note that said second petition for rehearing merely repeats the contention made by the Ohio defendants in their
400 first petition for rehearing, to wit, that in view of the holding that the patent is invalid, and in view of *Singer v. June*, 163 U. S., 169, there is no unfair competition. As we have shown by the petition for rehearing herein, the Circuit Court of Appeals for the Sixth Circuit rejected that proposition by its denial of the first petition for rehearing.

As appears from said second petition for rehearing, it has in view as its main object a petition to the United States Supreme Court for certiorari, based upon the alleged conflict of the majority opinion of this court with the opinions of the Ohio District Court and the Court of Appeals for the Sixth Circuit, on the questions of unfair competition and copyright infringement.

As supporting Plaintiff's petition for rehearing, and particularly Plaintiff's contention that the issues presented on its Motion for Preliminary Injunction, and its Motion for Decision on the Merits, are the identical issues (and nothing more) already decided against the manufacturer Wagner in Ohio—we call attention to page 2 of said second petition for rehearing in Ohio. After stating that "the issues in said case in the Second Circuit were the same as in this case," said petition quotes with approval a portion of Plaintiff's brief in this Wanamaker case by which we show the identity of issues. As thus admitted, the issues presented by the proofs herein on which Plaintiff asked a decision on the merits, are identical with the issues already decided by the Ohio courts—for which reason we respectfully submit this Court erred in not granting said motion upon the

174 MECCANO, LTD., VS. JOHN WANAMAKER, NEW YORK.

401 misunderstanding that other issues, suggested by the pleadings but not presented by the proofs, were presented for decision.

REEVE LEWIS,
C. A. L. MASSIE,
RALPH L. SCOTT,
Of Counsel for Meccano, Limited.

New York City, May 6, 1918.

402 United States Circuit Court of Appeals, Sixth Circuit.

In Equity. Nos. 2977 and 3014.

F. A. WAGNER, Trading as the American Mechanical Toy Company,
and THE STROBEL AND WILKEN COMPANY, Appellants,

VS.

MECCANO LIMITED, Appellee.

Petition for Rehearing and Motion to Recall Mandates and Re-enter Decree and to Reinstate Supersedeas.

Now come the appellants, F. A. Wagner trading as The American Mechanical Toy Company, et al., and respectfully petition for—

A rehearing in the above entitled case; and

Respectfully move the court to recall the mandates and to re-enter the decree herein; and

To restore the supersedeas herein, for the following reasons, to-wit:

That since the entry of the decree herein on November 16, 1917, and since the petition for rehearing herein was denied on January 14, 1918, the United States Circuit Court of Appeals for the Second Circuit, in a case pending before said court, entitled "Meccano Limited, Complainant, Appellee, v. John Wanamaker, New York, Defendant-Appellant" has rendered its decision and filed its
403 opinion, a copy of which is attached hereto and made a part of this petition and motion.

That said decision and opinion was handed down and filed on the 16th day of April, 1918, being two days after the expiration of three months after the petition for rehearing in this case was denied by this court.

That the entire printed record in the case in this court, together with a number of the exhibits, were made a part of the record in the United States Circuit Court of Appeals for the Second Circuit in the case above referred to, and were submitted to and considered by that court in reaching the decision and writing the opinion attached hereto.

That the issues in said case in the Second Circuit were the same as in this case, and were recognized by counsel for appellee to be the same by the following language found on pages two and three of a

brief for complainant, appellee, filed in support of a motion for a decision on the merits in said case in the Second Circuit, to-wit:

"By the pleadings herein and defendant's sworn admissions, it is established that there exist, in said case in the Sixth Circuit (hereinafter called the Ohio case) and in the case at bar, the following five identities, viz.

"(1) The parties in interest are the same (or in privity);

"(2) The subject matter is the same;

"(3) The relief sought is the same;

404 "(4) The issues are the same, and the defenses are the same; and

"(5) The evidence is the same, the present defendant, appellant, having brought before this court the complete transcript of record in the Ohio case." (Transcript, p. 296.)

That upon said record and exhibits upon which the opinion and decree of this court were based, and certain other evidence charging acts of unfair competition and copyright infringement by said New York defendant in buying and selling the toys involved in this suit, the United States Circuit Court of Appeals for the Second Circuit reached a conclusion at variance with and contrary to the conclusion of this court, as will be seen by reference to the opinion attached hereto.

That the United States Circuit Court of Appeals for the Second Circuit followed and applied the decision of the Supreme Court of the United States in *Singer Manufacturing Co. v. June Manufacturing Co.*, 163 U. S., 169, as the law of this case, which is contrary to the decision of this court in this case.

Your petitioners respectfully state that they feel the rendering of this decision by the United States Circuit Court of Appeals for the Second Circuit since the expiration of the time prescribed by the rules of this court for the filing of a petition for rehearing, but being within the term at which the decision and decree of this court were rendered and entered, affords a sufficient basis for an order of

405 this court receiving and granting this present petition for a rehearing at this time, the rule being one of convenience.

Unitype v. Long, 149 Fed., 196 (79 C. C. A., 154) (Circuit Court of Appeals this Circuit, before Judges Lurton, Severance and Richards).

Appellants respectfully state, in support of their petition and motion, that this court has held in the case cited above that the rule requiring a petition for rehearing to be filed within thirty days after the filing of an opinion "is one of convenience;" and has further held that the rule "should not be enforced where the point upon which a rehearing is asked is a reversal of the authority upon which our decision was made after the time for a petition to rehear, but before we had lost jurisdiction over the judgment by the expiration of the term."

The recalling of mandates within the term is familiar practice, altho it may not generally be done after the term.

Reynolds v. Manhattan Trust Co., 109 Fed., 97; 48 C. C. A., 249.

Waskey v. Hammer, et al., 179 Fed., 273; 102 C. C. A., 629.

The decision of Judge Lurton in the Unitype case cited above, shows that the mandate was recalled, as it necessarily must have been in that case wherein a petition to rehear was filed, after the expiration of the thirty days prescribed by the rule.

The decision by the United States Circuit Court of Appeals for the Second Circuit, so filed on April 16, 1918, created a conflict of decision between the Second Circuit and this Circuit as to the law of this case, and created a condition which warrants the appellants, your petitioners, to believe that a petition to the Supreme Court of the United States for a writ of certiorari will be favorably received, and granted by the Supreme Court of the United States, in order that there may be uniformity of decision between the two circuits named.

That because this opinion of the United States Circuit Court of Appeals for the Second Circuit was not rendered and filed until two days after the expiration of the three months' period prescribed by statute for filing a petition for writ of certiorari in the Supreme Court of the United States, your petitioner-, appellants, upon the present state of the record cannot file in the Supreme Court of the United States a petition for writ of certiorari, but will be compelled to await the final decree and judgment of the District Court in this case, and within the prescribed time after a review of that decree and judgment by this court, before your petitioner, appellant, can file in the Supreme Court of the United States his petition for a writ of certiorari. That meanwhile both appellant and appellee will have been subjected to the expense and delay necessarily attendant upon further proceedings in the accounting, and before the District Court, and before this court, all of which expense and delay to both parties would in the event of a reversal or modification by the Supreme Court of the decree and judgment of this court become useless and serve no purpose, and that the delay incident thereto will visit upon your petitioners, appellants, immense loss and damage for which your petitioners, appellants, have no remedy and will have no redress.

Your petitioners, appellants, therefore respectfully move the court, in the event of a denial of the petition for rehearing, to recall the mandates herein, and to vacate the decree entered herein November 16, 1917, and to re-enter the same in such form and manner as may conform to the decision of this court upon this petition and motion, in order that your petitioners, appellants, may file in the Supreme Court of the United States a petition for the writ of certiorari forthwith, instead of after the long delay and immense expense attendant upon proceedings to be had before the Master appointed by the District Court, then before the District Court, and then before this court.

Your petitioners further respectfully move this court, in recalling said mandates, to restore the supersedeas herein, and to make an order extending the present supersedeas bond for \$50,000 to The American Mechanical Toy Company, a corporation, upon the filing by the surety upon said bond of its written consent thereto.

Your petitioners respectfully suggest to this court that the matters sought herein by this petition and motion are all within the discretion of this court, and that the exigency presented by the state of facts set forth herein is of a most pressing nature, and that it is of vital importance both to appellant and appellee that the law of this case shall be finally settled by the Supreme Court of the United States at as early a date as possible.

408 Your petitioners further represent that the within petition is filed for reasons apparent on its face, but without prejudice to the rights of the petitioners herein arising on the mandamus petition heretofore filed, and entitled, "In the Matter of the Application of F. A. Wagner, trading as The American Mechanical Toy Company, The Strobel & Wilken Company, and The American Mechanical Toy Company, a corporation, for a writ of mandamus against the Honorable Howard C. Hollister, United States District Judge sitting as a Judge of the District Court of the United States for the Southern District of Ohio and against the District Court of the United States for the Southern District of Ohio," and the cause order made by this court, all of which rights are reserved.

Respectfully submitted,

TOULMIN & TOULMIN,

Counsel for Petitioners-Appellants.

E. H. & W. B. TURNER,

*Counsel for The American Mechanical
Toy Company, a Corporation.*

Dayton, Ohio, May 1, 1916.

We hereby certify as counsellors admitted to practice before this Honorable Court, that in our opinion the foregoing petition and motion are well and truly founded both in fact and in law, and that same are filed in good faith, and not for the purpose of delay.

H. A. TOULMIN.

E. H. TURNER.

Here follows copy of majority opinion of this Court [p. 335 herein].

Order of Reversal.

At a Stated Term of the United States Circuit Court of Appeals in and for the Second Circuit, Held at the Court-rooms, in the Post Office Building, in the City of New York, on the 25th day of April, One Thousand Nine Hundred and Eighteen.

Present: Hon. Henry G. Ward,
" Henry Wade Rogers,
Circuit Judges;
" Learned Hand, District Judge.

MECCANO, LIMITED, Complainant-Appellee,

v.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

Appeal from the District Court of the United States for the Southern District of New York.

This cause coming on to be heard on the transcript of record from the District Court of the United States, for the Southern District of New York, *and* was argued by counsel.

On consideration whereof, it is now hereby ordered, adjudged and decreed that the order of said District Court be and it is hereby
410 reversed with costs. Further ordered that execution be issued for the collection of said costs.

It is further ordered that a Mandate issue to the said District Court in accordance with this decree.

H. G. W.

H. W. R.

[Endorsed:] United States Circuit Court of Appeals, Second Circuit. Filed May 13, 1918. William Parkin, Clerk.

Order Denying Petition for Rehearing.

At a Stated Term of the United States Circuit Court of Appeals for the Second Circuit, Held at the Court-rooms, in the Post Office Building, City of New York, on the 23rd Day of May, 1918.

Present: Hon. Henry G. Ward,
" Henry Wade Rogers,
Circuit Judges;
" Learned Hand, District Judge.

MECCANO, LIMITED, Complainant-Appellee,

v.

JOHN WANAMAKER, NEW YORK, Defendant-Appellant.

A petition for a rehearing having been filed herein by counsel for the appellee;

Upon consideration thereof it is

Ordered that said petition be and hereby is denied.

H. G. W.

H. W. R.

[Endorsed:] United States Circuit Court of Appeals, Second Circuit. Filed May 24, 1918. William Parkin, Clerk.

412 *Clerk's Certificate.*

UNITED STATES OF AMERICA,

Southern District of New York, ss:

I, William Parkin, Clerk of the United States Circuit Court of Appeals for the second Circuit, do hereby certify that the foregoing pages numbered from 1 to 411 inclusive, contain a true and complete transcript of the record and proceedings had in said Court, in the case of Meccano, Limited, Complainant-Appellee, against John Wanamaker, New York, Defendant-Appellant, as the same remain of record and on file in my office.

In testimony whereof, I have caused the seal of the said Court to be hereunto affixed, at the City of New York, in the Southern District of New York, in the Second Circuit, this 9th day of July in the year of our Lord One Thousand Nine Hundred and eighteen and of the Independence of the said United States the One Hundred and forty-third.

[Seal United States Circuit Court of Appeals, Second Circuit.]

WM. PARKIN, *Clerk.*

413 UNITED STATES OF AMERICA, *ss:*

[Seal of the Supreme Court of the United States.]

The President of the United States of America to the Honorable the Judges of the United States Circuit Court of Appeals for the Second Circuit, Greeting:

Being informed that there is now pending before you a suit in which John Wanamaker, New York, is appellant, and Meccano, Limited, is appellee, which suit was removed into the said Circuit Court of Appeals by virtue of an appeal from the District Court of the United States for the Southern District of New York, and we, being

willing for certain reasons that the said cause and the record and proceedings therein should be certified by the said Circuit court of

414 Appeals and removed into the Supreme Court of the United States, do hereby command you that you send without delay to the said Supreme Court, as aforesaid, the record and proceedings in said cause, so that the said Supreme Court may act thereon as of right and according to law ought to be done.

Witness the Honorable Edward D. White, Chief Justice of the United States, the thirty-first day of October, in the year of our Lord one thousand nine hundred and eighteen.

JAMES D. MAHER,

Clerk of the Supreme Court of the United States.

[Endorsed:] File No. 26,700. Supreme Court of the United States. No. 614, October Term 1918. Meccano, Limited, vs. John Wanamaker, New York. Writ of Certiorari. United States Circuit Court of Appeals, Second Circuit. Filed Nov. 18, 1918. William Parkin, Clerk.

415 In the United States Circuit Court of Appeals for the Second Circuit.

MECCANO, LIMITED, Petitioner-Plaintiff,

vs.

JOHN WANAMAKER, NEW YORK, Respondent-Defendant.

Return to Writ of Certiorari.

The Supreme Court of the United States having issued its writ of certiorari herein, under date of October 31, 1918, addressed to the Honorable the Judges of the above-entitled Court.

It is hereby stipulated, by and between counsel for the respective parties, that the certified copy of the Transcript of Record herein now on file in the office of the clerk of the Supreme Court may be taken as the Return to said writ.

Dated New York City, November 7, 1918.

REEVE LEWIS,
RALPH L. SCOTT,

Of Counsel for Meccano, Limited.

H. A. TOULMIN,
H. A. TOULMIN, JR.,

Of Counsel for John Wanamaker, New York.

Nov. 13, 1918.

16 To the Honorable the Supreme Court of the United States,
Greeting:

The record and all proceedings whereof mention is within made
having lately been certified and filed in the office of the clerk of the
Supreme Court of the United States, a copy of the stipulation of
counsel is hereunto annexed and certified as the return to the writ
of certiorari issued herein.

Dated, November 19th, 1918.

[Seal United States Circuit Court of Appeals, Second Circuit.]

WM. PARKIN,

*Clerk of the United States Circuit Court
of Appeals for the Second Circuit.*

17 [Endorsed:] United States Circuit Court of Appeals, Sec-
ond Circuit. Meccano, Ltd., vs. John Wanamaker. Return
of Certiorari.

18 [Endorsed:] File No. 26,700. Supreme Court U. S., Oc-
tober Term, 1918. Term No. 614. Meccano, Limited, Pe-
titioner, vs. John Wanamaker, New York. Writ of certiorari and
return. Filed November 22, 1918.

Office Supreme Court, U. S.
FILED

AUG 13 1918

JAMES D. MAHER,
CLERK.

IN THE
Supreme Court of the United States

OCTOBER TERM, A. D. 1918

No. **6**  **187**

MECCANO LIMITED,

Petitioner-Plaintiff,

vs.

JOHN WANAMAKER, NEW YORK,

Respondent-Defendant.

**Petition for Writ of Certiorari to the United States
Circuit Court of Appeals for the Second Circuit,
and Notice of Submission.
Brief in Support of Petition.**

REEVE LEWIS
W. B. KERKAM
RALPH L. SCOTT

Counsel for Petitioner.

Admission of Service.

Service of a copy of the foregoing notice, and of the petition and brief following, is acknowledged this day of August, 1918.

Solicitor for Respondent-Defendant.

SUPREME COURT OF THE UNITED STATES,

OCTOBER TERM, A. D. 1918.

No.

MECCANO LIMITED,
Petitioner-Plaintiff,

v.

JOHN WANAMAKER, NEW YORK,
Respondent-Defendant.

On Petition for
Writ of *Certi-
orari* to the
United States
Circuit Court
of Appeals for
the Second
Circuit.

Petition for Writ of Certiorari.

TO THE HONORABLE THE CHIEF JUSTICE AND THE ASSOCIATE
JUSTICES OF THE SUPREME COURT OF THE UNITED STATES:

Your Petitioner, Meccano Limited, a corporation of Great Britain, upon the certified transcript of record filed herewith, respectfully prays for writ of *certiorari* directed to the Honorable the Judges of the United States Circuit Court of Appeals for the Second Judicial Circuit, commanding said Court of Appeals to certify and bring before this Honorable

Court, for review, the above entitled cause, lately before said Court of Appeals, wherein this petitioner was plaintiff-appellee and the respondent herein was defendant-appellant—and for such further proceedings and such other relief to Petitioner as the nature of the case may require and to this Honorable Court may seem just.

Your Petitioner complains of the error in the majority opinion (Judges WARD and ROGERS, R., 335) and order (R., 409) of the Court of Appeals for the Second Circuit in reversing (with a *dissenting opinion* by Judge LEARNED HAND, R., 339) the opinion and order (R., 273, 276) of the District Court for the Southern District of New York (Judge AUGUSTUS N. HAND) which granted preliminary injunction herein upon charges of unfair competition and copyright infringement ;—

Complains of the error of said Court of Appeals in thus, by its reversal of the preliminary injunction order herein, failing to respect and enforce, and in effect nullifying, the prior unanimous opinions and judgments of the District Court for the Southern District of Ohio, Western Division (Judge HOWARD C. HOLLISTER), and of the Court of Appeals for the Sixth Circuit (Circuit Judges WARRINGTON and KNAPPEN and District Judge SANFORD), all favorable to Petitioner-Plaintiff ; in a prior suit between the same parties or their privies (the prior defendant having assumed the defense of the present suit), on the same product, and on the same causes of action and issues of unfair competition and copyright infringement, and in which prior suit the defenses and evidence were the same as pleaded by Respondent-Defendant in this suit ;—

Complains of the error of said Court of Appeals in failing and refusing to enter herein, or have entered, a judgment on the merits in favor of Petitioner-Plaintiff, to which judgment your said Petitioner is entitled in view of the conclusiveness and finality, with respect to this cause, of said judgment of the Court of Appeals for the Sixth Circuit in said prior suit ;—and

Further complains of the error of said Court of Appeals in

awarding costs in its court to the Respondent-Defendant (R., 410).

Your Petitioner submits the following as the main

Questions Presented.

(1) A manufacturer having been sued in equity in the Federal Courts of the Sixth Circuit and his product there adjudged to be unlawful and "a fraud" upon the ground of unfair competition, and his books or manuals, constituting part of said product, having been adjudged in the same suit as unlawful on the ground of copyright infringement,—is said prior judgment binding and conclusive in this subsequent suit in the Second Circuit, by the same plaintiff, against a customer of said manufacturer, and on the same causes of action and issues of unfair competition and copyright infringement (same registered copyrights) as involved in said first suit against the manufacturer, said manufacturer having assumed the defense of this second suit against the customer under "assurances to hold" said customer "harmless from any loss or liability by reason of the sale" by said customer of the product aforesaid?

(2) Does said judgment of the Sixth Circuit Court of Appeals in said first suit against the manufacturer entitle petitioner to a preliminary injunction in this second suit against the customer dealing in the same product, and particularly so under the conditions stated in question 1?

(3) Does said judgment of the Sixth Circuit Court of Appeals in said first suit entitle petitioner to judgment on the merits in this second suit, leaving only the matter of accounting to be thereafter disposed of?

These are questions of law, the related facts as to identity or privity of parties and sameness of causes of action and of issues in the two suits being admitted and otherwise established.

Upon the record it is respectfully insisted that these questions must be answered in the affirmative. Yet the Second Circuit Court of Appeals has, in effect, by its decisions herein, answered each question in the negative.

Statement of Facts and Matters Involved.

(1) Petitioner, Meccano Limited, is the manufacturer of a toy building product extensively exploited by it in the United States and elsewhere under the trade-name "Meccano", and is the adjudged owner of all rights in and related thereto, including the hereinafter mentioned registered copyrights on books or manuals of instruction constituting part of said product. Petitioner's said Meccano was the pioneer practical and commercially successful building toy of its character and principle, consisting of metal parts, and a large and valuable business has been created therein in the United States and in foreign countries.

(2) On or about December 24, 1914, Petitioner instituted suit in equity in the United States District Court for the Southern District of Ohio, Western Division, against "Francis A. Wagner (trading as The American Mechanical Toy Company)", of Dayton, Ohio, charging *inter alia* unfair competition with Petitioner's said Meccano, and infringement of Petitioner's two registered copyrights No. 291,375, dated June 22, 1911, and No. 294,670, dated August 14, 1911, by said Wagner (trading as The American Mechanical Toy Company), in manufacturing, producing, offering for sale and selling and distributing his so-called "The American Model Builder" toy building product, accompanied by books or manuals of instruction.

(3) Said Sixth Circuit suit was tried May 25th to June 2d, 1915 (R., 20, 189), the defendant Wagner himself testifying at length before the Ohio district court (Judge HOL-

LISTER) and attempting to explain and justify his copying and counterfeiting of Petitioner's prior Meccano product (R., 188, 189). With this advantage of seeing and hearing Wagner testify, as well as other witnesses in his behalf, said court, about June 12, 1916 (R., 20), rendered its opinion (R., 125), sustaining the charges of unfair competition and copyright infringement by said American Model Builder product. Said opinion (234 Fed., 912) made findings of facts and conclusions such as the following :

(a) Upon the issue of unfair competition,—“ The American Model Builder is not only a fraud on the public, but also a fraud on the complainant. I find the charge of unfair competition amply established by the facts and under the law ” (R., 137) ; that Wagner's product “ except for great care in examination cannot be distinguished from the complainant's Meccano ” (R., 130) ; that testimony as to confusion and palming-off is not needed, the appearance of defendant's outfits being enough “ to warrant the court in concluding, as is now concluded, that the defendant's outfits, parts, boxes and labels would deceive the purchasing public, and were so intended ” (R., 131) ; that “ However strongly defendant asserts ignorance, accident or mistake, little weight can be given to what he says in the face of what is disclosed by the physical appearance of the outfits, the manuals, method of arrangement of contents of boxes,” etc. (R., 133) ; that “ Even if there were no evidence tending to show actual palming-off * * * there is a silent representation made by the outfits, the arrangement of parts and number of parts, the manuals * * * that ‘ American Model Builder ’ is the same as Meccano ” (R., 133).

(b) Upon the issue of copyright infringement,—“ The fact is defendant copied its manual * * * from complainant's copyrighted * * * manuals ” (R., 142) ; that “ However strongly defendant asserts ignorance, accident, or mistake, little weight can be given to what he says in the face of what is disclosed by * * * the manuals * * *. Defendant's

manuals may be the result of labor and thought, but the labor and thought is not of an original character * * *. It is clear enough that the labor and thought expended has been for the purpose of making a manual * * * counterfeit the Mec-cano manual " (R., 133) ; that " When defendants' manuals are subjected to the tests laid down in these cases, there is no room for doubt that the manuals complained of are piracies of complainant's copyrighted manuals which the defendants are charged in this case with having infringed " (R., 140-1).

On July 8th, 1916, a decree (R., 150), was entered in conformity with said opinion.

(4) On appeal, the Court of Appeals for the Sixth Circuit by its opinion (R., 305) of Nov. 16, 1917 (246 Fed., 603), approved (R., 2nd Par., p. 306) the aforesaid and other conclusions and findings of the District Court upon the issues of unfair competition and copyright infringement ; and later, in said opinion (R., middle p. 312), in passing upon alleged newly discovered evidence, gives an added approval to " the soundness of the conclusions reached upon such issue " (unfair competition) saying (R., 312), " Appellants do not seem to appreciate the true effect of other features of the evidence upon which the court evidently rested this conclusion (234 Fed., at pp. 917 to 919) ", (pp. 129 to 133 of record herein).

(5) A petition for rehearing (R., 313), filed about Dec. 13, 1917, was denied by the Sixth Circuit Court of Appeals by an order (drawn by the court, R., 316) of Jan. 14, 1918, again approving the conclusions of the District Court upon the issues of unfair competition and copyright infringement.

On Feb. 11, 1918, a decree (R., 317) was entered by the District Court in accordance with the opinion and mandate of said Court of Appeals, and a writ of injunction (R., 324) issued on the same day, and was duly served.

A second petition for rehearing (R., 402), filed about May 1, 1918, and signed by Messrs. Toulmin & Toulmin, counsel for the defendants in both suits, denied by the Sixth Circuit Court

of Appeals May 15, 1918 (certified copy of denial order filed with the papers), correctly states (R., 403) :

" That the issues in said case [this Wanamaker case] in the Second Circuit were the same as in this case [the Ohio case] and were recognized by counsel for appellees to be the same by the following language * * * of a brief for complainant, appellee, filed in support of a motion for a decision on the merits in said case in the Second Circuit, to wit :

" By the pleadings herein and defendant's sworn admissions, it is established that there exist, in said case in the Sixth Circuit (hereinafter called the Ohio case) and in the case at bar, the following five identities, viz. :

" (1) The parties in interest are the same (or in privity) ;

" (2) The subject matter is the same ;

" (3) The relief sought is the same ;

" (4) The issues are the same, and the defenses are the same ; and

" (5) The evidence is the same * * * "

(6) In December, 1916, Petitioner instituted this suit in equity against John Wanamaker, New York, a New York corporation, in the District Court for the Southern District of New York, the bill of complaint charging *inter alia* * unfair competition and infringement of the copyrights aforesaid, by said Wanamaker's dealings in and sale of the *same* American Model Builder product as involved in said earlier Ohio suit against the manufacturer thereof, the two suits thus presenting

* In the aforesaid Ohio suit, and also in the present New York suit against Wanamaker, the bills of complaint charged infringement of petitioner's Hornby patent 1,079,245, relating to the three metal plates illustrated at the top of page 398 of the record ; but said patent having been adjudged invalid by the Sixth Circuit Court of Appeals, in its opinion aforesaid, the charge of patent infringement was thereupon withdrawn from this suit (R., 328) ; wherefore said question of patent infringement is in no way here involved.

the same causes of action and the same issues. The bill herein alleges that Wanamaker deals in, offers for sale, and sells, American Model Builder outfits, separate parts, manuals of instruction, etc., and that "said acts * * * constitute unfair competition with your Orator with respect to its toy building outfits, known as 'Meccano'; and also constitute infringement of your Orator's copyrights" (R., 2). The bill herein recites said Ohio suit against the manufacturer; and, laying it as a part of the gist of this suit and as the basis of relief herein (R., 19), further alleges that the American Model Builder product complained of in the Ohio suit is "the same as the American Model Builder product, books, publications, etc., which the defendant herein, John Wanamaker, New York, is hereinbefore charged to have offered for sale, sold, advertised and distributed, in violation of your Orator's rights as aforesaid" (R., 20).

By the answer (R., 35) defendant Wanamaker admits that it deals in and sells toy outfits known as "The American Model Builder" manufactured by The American Mechanical Toy Company, of Dayton, Ohio, and also instruction books, etc. (R., 36); "admits that complainant brought suit against the manufacturer of the American Model Builder (the toy complained of herein), in the Southern District of Ohio, Western Division, upon the same issues as involved herein" (R., 61). But said answer claims authorization to sell and continue the sale of said product because of the \$50,000 super-sedeas bond (R., 169) given by the manufacturer in the Ohio suit. Otherwise said answer pleads the *same* defenses as previously presented in the pleadings and proofs in said prior Ohio suit.

(7) Petitioner, about Dec. 15, 1916, moved (R., 63) for preliminary injunction herein on supporting affidavits and exhibits showing, amongst other things, that certain of the exhibits of American Model Builder product introduced by Petitioner in the Ohio suit, and upon the basis of which the

courts of the Sixth Circuit adjudged said product to be unlawful on the ground of unfair competition and copyright infringement, were American Model Builder outfits and manuals purchased in New York from the present defendant Wanamaker. Thus, plaintiff's exhibit No. 8 in the Ohio suit, a No. 3 American Model Builder outfit, and plaintiff's exhibits Nos. 9 and 10 in the Ohio suit, each an American Model Builder 1912 Manual, were all purchased from the Respondent Wanamaker, in New York, on November 22, 1912 (Koenig affidavit, R., 108-110).

In Petitioner's affidavit by Mr. Scott (of counsel for petitioner) it is shown that " in the present suit, John Wanamaker, New York, defendant, is charged with unfair competition, and with infringement of the aforesaid * * * registered copyrights, in offering for sale, selling, exploiting and distributing the same 'American Model Builder' toy outfits, separate parts, manuals and other printed matter, as were involved in the acts of the defendants in said Ohio case, and adjudged in that case to constitute unfair competition and * * * copyright infringement. * * * The issues to be decided in the present suit are therefore substantially identical with those determined in said Ohio suit, the only material difference in the acts of the defendants in the two suits being that, so far as I am at present informed, the acts of John Wanamaker, New York, defendant herein, have consisted principally in the exploitation and retail sale of the American Model Builder product, manufactured and produced by Francis A. Wagner (trading as The American Mechanical Toy Company) one of the defendants in said Ohio suit " (R., 115, 116).

Respondent's Wagner affidavit states that he is one of the defendants and " familiar with the issues in this Ohio suit, and I have read the moving papers in this New York suit and find the issues in both suits to be substantially the same, except that John Wanamaker, of New York, one of our customers, is made defendant in said New York suit " (R., 182). Wagner

further says, referring to the Ohio suit, "In that case I was sued as a manufacturer. In this case Mr. Wanamaker is sued as a merchant who is a customer who buys and sells the same goods or toy outfits that are involved in the Ohio suit" (R., 183).

(8) By opinion of January 9, 1917 (R., 273), and order of January 12, 1917 (R., 276), the District Court for the Southern District of New York (Judge AUGUSTUS N. HAND) granted a preliminary injunction upon the basis of the opinion and decree of the Ohio District Court (Judge HOLLISTER) in the

"suit against the manufacturer of the mechanical constructional toy involved here," "upon the precise issues involved in this cause * * * brought against a customer of the defendant in that case" (quotations from R., 273),

and after an independent examination by Judge HAND of the "briefs and records in the Ohio case sufficiently to be in general agreement with Judge HOLLISTER" (R., 274). At the time of this decision by Judge HAND, the Court of Appeals for the Sixth Circuit had not yet affirmed Judge HOLLISTER.

(9) About Dec. 19, 1916, the defendant-manufacturer Wagner made a motion (denied by opinion reported in 239 Fed., 901) before the Court of Appeals for the Sixth Circuit, asking that the plaintiff therein (petitioner herein) be adjudged in contempt for having instituted the present suit and be enjoined from further prosecuting the same or any "other like or similar action against any customer or customers" of said manufacturer pending decision of the cause by said Court of Appeals,—said motion correctly alleging the present suit to be "against John Wanamaker, a customer of the appellant-manufacturer, who purchased toy outfits from said manufacturer * * * which toy outfits are the same in kind as those involved in this action" (R., 269). A supporting affidavit by the manufacturer Wagner (R., 270), who has

assumed the defense of the present suit, also correctly alleges that "Meccano Limited, the plaintiff in this Ohio action, * * * instituted an action against said John Wanamaker, of New York, in the United States District Court for the Southern District of New York, upon the same issues as involved in this suit, save only that John Wanamaker was made defendant instead of the Ohio defendants" (R., 271).

(10) By order (R., 283) of the District Court (Judge Hough), defendant answered (R., 284 *et seq.*) certain interrogatories (R., 281-2) propounded by petitioner, said sworn answers admitting that

"The American Mechanical Toy Company, of Dayton, Ohio, has given defendant assurances to hold defendant harmless from any loss or liability by reason of the sale by defendant of American Model Builder Constructional Toys" (Ans. 2, R., 285);

that Messrs. Toulmin & Toulmin and Mr. Williamson,

"of counsel in this case, are acting in such capacity, not by being retained by this defendant directly, but by reason of said assurances to hold defendant harmless" (Ans. 3, R., 285);

that Messrs. Toulmin & Toulmin

"are general patent counsel for The American Mechanical Toy Company and are paid by that Company" (Ans. 4, R., 285);

that this suit

"is being defended * * * pursuant to the assurances of The American Mechanical Toy Company to hold the defendant harmless by reason of the purchase and sale of toys manufactured by The American Mechanical Toy Company" (Ans. 7, R., 285);

and that "the management" of the defense of this suit "is in the hands of * * * Toulmin & Toulmin, general patent

counsel for The American Mechanical Toy Company," and two other gentlemen (Ans. 1, R., 284-5), one, Mr. Williamson, being "an associate counsel under and on behalf of Messrs. Toulmin & Toulmin," and the other, Mr. Johnson, being "a regular attorney of defendant" (Ans. 5, R., 285).

Messrs. Toulmin & Toulmin signed the answer herein (R., 62), opposed the motion for preliminary injunction (R., 273), signed the appeal (R., 287-290), and opposed petitioner's motion for judgment (R., 328); they have also been attorneys for defendant Wagner (trading as The American Mechanical Toy Co.) in the Ohio suit throughout all the proceedings therein.

(11) After the argument, on Jan. 10, 1918 (R., 335), on appeal from the order granting preliminary injunction, and while the latter was still under consideration by the Court of Appeals for the Second Circuit, the Court of Appeals for the Sixth Circuit, on Jan. 14, 1918 (R., 316), *denied* the motion of the defendant-manufacturer Wagner for rehearing in the Ohio suit.

Thereupon petitioner, following the practice approved by this Court in *Hart Steel Co. vs. R. R. Supply Co.* (244 U. S., 294; 61 Law Ed., 1148), promptly made a motion herein on January 25th, 1918, before the Court of Appeals for the Second Circuit for a decision on the merits "upon the ground that the decision * * * of the * * * Court of Appeals for the Sixth Circuit * * * is final and conclusive as to the case at bar under the principles enunciated by the Supreme Court in the various decisions referred to in the accompanying Brief" (R., 303), said brief citing said *Hart Steel Co.* case; *In Re Sanford Fork and Tool Co.*, 160 U. S., 247; 40 Law Ed., 414; *Smith vs. Vulcan*, 165 U. S., 518; 41 Law Ed., 810; *Mast, Foos vs. Stover*, 177 U. S., 485, 494; 44 Law Ed., 856, 860; *Kessler vs. Eldred*, 206 U. S., 285; 51 Law Ed., 1065, and *Lovell-McConnell vs. Auto. Supply Co.*, 235 U. S., 383, 387-8; 59 Law Ed., 282, 283.

(12) The Court of Appeals for the Second Circuit (Judges ROGERS, LEARNED HAND and MAYER) denied petitioner's said Motion for Judgment (opinion by Judge LEARNED HAND, R., 327), upon what petitioner believes to be the erroneous theory that the issues here litigated are not so "co-extensive with the issues litigated in the Ohio suit" (R., 331), as to permit the Court to "dispose of the suit in this summary manner" (R., 330). With reference to the identity or privity of the parties defendant, the decision says, in part, "it may be assumed * * * that Wagner," the defendant-manufacturer in the Ohio suit (trading as The American Mechanical Toy Company) "assumed the chief conduct of the [this] case and that defendant [Wanamaker] remains only formally represented" (R., 328), "Wagner having now intervened" (R., 331). And, with reference to the similarity of causes of action and issues, the decision says that "the plaintiff sued Wagner in Ohio upon the * * * same causes of equity and obtained a decree * * * and the decree affirmed [by the 6th C. C. A.] except as to the patent * * * now withdrawn from this suit" (R., 328), and that "While we do not hold that the decree is an estoppel, taken strictly, even as to those toys and manuals" [those obtained from the Ohio manufacturer Wagner], "we may even suppose that, Wagner having now intervened, it is such" (R., 331).

While reserving for disposition "upon the appeal from the injunction *pendente lite*" the question "how far the effect of that decree [of the 6th C. C. A.] may be to entitle the plaintiff to an injunction against the defendant against selling any of the toys or manuals which it may buy from Wagner" (R., 329), the court says that this

"need not depend in any sense upon the estoppel of the defendant by that decree. It might, for example, be held under an extension of the doctrine of *Kessler v. Eldred*, 206 U. S., 285, that the purchase of toys and manuals from Wagner, which he had been en-

joined from selling, if not an actual contempt of that decree, was at least in derogation of the plaintiff's rights established thereby and thus a tort against it " (R., 330).

While thus recognizing petitioner's right to a preliminary injunction upon the basis of the Ohio decree, the subsequent majority opinion (Judges WARD and ROGERS, R., 335) of the same Court (with a dissenting opinion by Judge LEARNED HAND, R., 339) refused to give effect to the Ohio decree and reversed the order of the District Court granting preliminary injunction, thus showing conflict of opinion between said Court of Appeals as constituted in the two instances, Judges ROGERS, LEARNED HAND and MAYER in the first instance, and Judges WARD, ROGERS and LEARNED HAND in the second instance.

(13) By its decision of April 15, 1918 (R., 335), the Court of Appeals for the Second Circuit (in a majority opinion by Judges WARD and ROGERS)—without mention of the force of the Ohio judgment, and in seeming disregard of well-known principles and rules of law and decisions establishing the conclusiveness of said judgment in the premises, and seemingly disregarding the effect to which said Sixth Circuit Court of Appeals judgment is entitled in other courts of co-ordinate jurisdiction, and the established rule that a preliminary injunction order should not be reversed in the absence of a clear showing of abuse of discretion by the Court below—reversed the order of the District Court (Judge AUGUSTUS N. HAND) and denied preliminary injunction, holding that "upon the question of copyright infringement and unfair competition, we think the case not clear" (R., 336-7). Thereby said Court decided in direct conflict with the judgments of the Ohio District Court and of the Sixth Circuit Court of Appeals, after lengthy open court trial, and upon the more complete records of testimony and exhibits before those Courts.

In his dissenting opinion (R., 339) Judge LEARNED HAND,

consistent with the views theretofore expressed by the same Court of Appeals in its opinion on the motion for decision on the merits (see Sec. 12 hereof), stated that the Ohio judgment is conclusive of petitioner's right to preliminary injunction "quite independently of how we might ourselves view the transactions out of which the Ohio decree proceeded" and "regardless of what relief we might have given the plaintiff upon the state of facts," and that it appearing that Wanamaker is "only buying its toys of Wagner, * * * I think the plaintiff has established its right by the mere force of that [Ohio] decree to prevent Wanamaker from inducing Wagner to violate it," citing *Kessler v. Eldred*, 206 U. S., 285.

(14) By petition (R., 342 *et seq.*), filed May 13, 1918, your petitioner prayed said Second Circuit Court of Appeals for a rehearing with respect to its majority opinion denying preliminary injunction, and also (R., 369 *et seq.*) with respect to its aforesaid opinion denying petitioner's motion for decision on the merits; but said petition was denied May 23, 1918 (R., 411).

(15) Following the aforesaid denial of petition for rehearing, the District Court (Judge MAYER) entered, on June 7, 1918, an "Order on Mandate" (certified copy filed with the papers) reversing the preliminary injunction order with costs against plaintiff; and, on the same day, on respondent's motion (certified copy filed with the papers) entered a "Decree" (certified copy filed with the papers) providing in part as follows:

"(5) That the bill of complaint is dismissed as to the charge of unfair competition, and that the action may be proceeded with on the charge of copyright infringement.

"(6) That plaintiff may make a motion to modify or vacate this decree, at any time within six months from the entry hereof, in the event application for *certiorari* is made."

By so decreeing, (upon the basis of the majority opinion of the Second Circuit Court of Appeals denying preliminary injunction rendered upon exhibits and evidence before said Court confined exclusively to American Model Builder product), Judge MAYER, at that later date, recognized that the issues presented in this case are coextensive with those in the Ohio litigation and do not, as suggested in the earlier opinion of said Court of Appeals (with Judge MAYER as a member, R., 327), denying petitioner's motion for decision on the merits, extend to other toy products which the defendant Wanamaker may procure from sources other than said defendant-manufacturer in the Ohio litigation who has assumed the defense of this suit.

General Reasons Relied on for Allowance of the Writ.

The following are the general reasons relied on for allowance of the writ (Sec. 3, Rule 37), more specific reasons will hereafter appear—

(1) The questions involved are of gravity and of unusual importance and interest to the public generally and to the trade dealing in articles such as here involved, and are not mere matters of private interest.

(2) There is a conflict of opinion herein, two judges (AUGUSTUS N. HAND and LEARNED HAND) favoring, and two judges (WARD and ROGERS) opposing, grant of preliminary injunction.

(3) There is direct conflict of opinion between said majority opinion (Judges WARD and ROGERS) herein of the Court of Appeals for the Second Circuit, on the one hand, and the opinions of four judges in the Sixth Circuit (District Court, Judge HOLLISTER, Court of Appeals, Judges WARRINGTON, KNAPPEN and SANFORD), on the other hand.

(4) The immunity of an article in the hands of a customer,

as the result of successful defense of a suit against the manufacturer, has been established in *Kessler vs. Eldred*, and like cases. But the status of an article in the hands of a customer, after it has been held fraudulent and unlawful in a suit against a manufacturer, has not been directly decided by this Court. That question, of large public and business importance, is presented in this case.

(5) The embarrassment and confusion resulting from the failure of the Court of Appeals for the Second Circuit to give force and effect to the adjudication and decree in the Sixth Circuit are apparent. In the Sixth Circuit, after trial and hearing on full proofs, arguments and briefs, the Wagner product is "a fraud" and an illegal counterfeit of Petitioner's product, on the ground of unfair competition, and the Wagner manuals are an infringement of Petitioner's copyrights. Under the majority opinion of the Court of Appeals for the Second Circuit, on appeal from the grant of preliminary injunction, the same *identical* product, with its manuals, is not unlawful, either on the ground of unfair competition or copyright infringement.

(6) Having been denied rehearing by the Court of Appeals for the Second Circuit (R., 411), Petitioner has no recourse for determination of the important questions presented and relief from the errors complained of, except by writ of *certiorari* issued by this Honorable Court at the present stage of this suit.

Upon the foregoing statement of facts, and upon the record herein, petitioner submits that this cause should be brought before this Court for review—

(1) To determine the legal effect to be given, in this cause in the Second Circuit against a customer, to the prior judgment in the suit in the Sixth Circuit against the manufacturer.

(2) To determine whether preliminary injunction can be denied petitioner in this suit in view of the prior adjudication

by the Sixth Circuit Court of Appeals in said earlier suit, and to correct the error of the Court of Appeals for the Second Circuit in reversing the preliminary injunction ordered herein, and in taxing costs against petitioner.

(3) To determine whether or not said prior judgment by the Sixth Circuit Court of Appeals entitles petitioner to a decision on the merits in this later suit in the Second Circuit, leaving only the matter of accounting to be hereinafter disposed of.

(4) To determine whether an unsuccessful defendant in a suit in one circuit, in which his product has been adjudged unlawful, is to be permitted to relitigate the same issues on the same product by assuming the defense of a subsequent suit in another circuit against one of his customers.

Wherefore, your petitioner respectfully submits that writ of *certiorari* should issue, to be followed by such further proceedings as may be necessary to correct the aforesaid errors of the Court of Appeals for the Second Circuit in reversing the preliminary injunction order herein, and in refusing to dispose of this cause by directing the entry herein of a decree on the merits in favor of petitioner.

MECCANO LIMITED,

By

REEVE LEWIS,

W. B. KERKAM,

RALPH L. SCOTT,

Counsel for Petitioner.

STATE OF NEW YORK, }
 County of New York, } ss. :

REEVE LEWIS, being first duly sworn, deposes and says, that he is of counsel for Meccano Limited, the petitioner herein ; that he prepared the foregoing petition for a writ of *certiorari* and knows the contents thereof, and that the same is true to the best of his knowledge, information and belief.

REEVE LEWIS.

Subscribed and sworn to be-
 fore me this 12th day of }
 August, 1918.

 Notary Public.

 In our opinion the foregoing petition for a writ of *certiorari* is well founded in law, and proper to be heard.

REEVE LEWIS,
 RALPH L. SCOTT,
 Of Counsel for Petitioner.

BRIEF IN SUPPORT OF PETITION.

Petitioner seeks a review by this Honorable Court in respect to the failure of the Court of Appeals for the Second Circuit to give proper effect, in this suit, to the judgment of the Court of Appeals for the Sixth Circuit in the earlier Ohio suit.

This court is not asked to review by *certiorari* the decision (R., 335) of the Court of Appeals for the Second Circuit in so far as it assumes to decide whether or not the American Model Builder product, as compared with petitioner's Meccano product, is unlawful on the ground of unfair competition and copyright infringement. This case has not yet gone to trial, and the affidavits and few exhibits produced on preliminary injunction motion do not constitute a record adequate fully to inform this court regarding that question. Furthermore, it is petitioner's contention that—with the judgment of the Sixth Circuit Court of Appeals properly before it by petitioner's motion—such question was not open to decision by the Court of Appeals for the Second Circuit; and it is now sought to have this court so rule.

“ With the identity of the subject-matter and issues of the two cases admitted, the privity of parties to them clear, and the question of the ruling effect of the decree of the Circuit Court of Appeals of the Sixth Circuit presented in an appropriate manner to the Court of Appeals for the Seventh Circuit, a court of co-ordinate jurisdiction, we cannot doubt that the latter court fell into error in not sustaining the motion of the petitioners to affirm the decision of the Circuit Court. The defendants should not have been put to further expense, delay, and trouble after the motion was presented. The question is ruled by *Kessler vs. Eldred* (206 U. S., 285), *Brill vs. Washington R. & E. Co.* (215 U. S., 527), and *Russell vs. Place* (94 U. S., 606).

Hart Steel Co. et al. vs. Railroad Supply Co., 37 S. C. R., 506, 507; 244 U. S., 294, 298; 61 Law Ed., 1148, 1153.

THERE ARE NO OBSTACLES OF JURISDICTION OR PRACTICE TO THE ISSUANCE OF THE WRIT.

The case is one in which, on both causes of action, the "judgment or decree of the circuit court of appeals is made final," therefore, "it shall be competent for the Supreme Court to require, by *certiorari* * * * such cause to be certified to the Supreme Court for its review and determination" (Sec. 240, Judicial Code). As to the issue of unfair competition, the Court of Appeals for the Second Circuit has jurisdiction to render final judgment because of "the opposite parties to the suit or controversy being aliens or citizens of the United States" (Sec. 128, Code). And the same section of the Code expressly gives that court jurisdiction to render final judgment "in all cases arising * * * under the copyright laws."

"The question at what stage of the proceedings, and under what circumstances, the case should be required, by *certiorari* or otherwise, to be sent up for review, is left to the discretion of this court, as the exigencies of each case may require."

American Construction Co. vs. Jacksonville Ry. Co., 13 S. C. R., 758, 764; 148 U. S., 372; 37 L. Ed., 486, 491.

While, as further stated in said decision, "this court should not issue a writ of *certiorari* to review a decree * * * or appeal from an interlocutory order, unless it is necessary to prevent extraordinary inconvenience and embarrassment in the conduct of the case," we confidently submit that this *is* such "an exceptional case" and one in which this court will consider that its "power and duty to require, by *certiorari* or otherwise, the case to be sent up for review and determination cannot well be denied" (13 S. C., R., p. 763).

This Court issues writs of *certiorari* where there are questions of gravity and importance, such as here involved. The

cases included unfair competition and copyright suits. Some of them are :

- Lau Ow Bew, 141 U. S., 583 ; 12 S. C. R., 35 L. Ed., 868.
 Am. Constn. Co. vs. Jacksonville R. R. Co., 148 U. S., 372, 383 ; 37 L. Ed., 486.
 The Three Friends, 166 U. S., 1, 49 ; 41 L. Ed., 897 ; 17 S. C. R., 495.
 Hamilton-Brown Shoe Co. vs. Wolf Bros. & Co., 36 S. C. R., 269 ; 240 U. S., 251 ; 60 L. Ed., 629 ; (Unfair Competition).
 Straus vs. Notaseam Hosiery Co., 36 S. C. R., 288 ; 240 U. S., 179 ; 60 L. Ed., 590 ; (Unfair competition).
 Victor Herbert vs. Shanley Co., 37 S. C. R., 232 ; 242 U. S., 591 ; 61 L. Ed., 511 ; (Copyright infringement).
 Minerals Separation Ltd. vs. Hyde, 37 S. C. R., 82 ; 242 U. S., 261 ; 61 L. Ed., 286 ; (Invention of world wide importance, patent sustained).
 Goshen Mfg. Co. vs. Myers Mfg. Co., 37 S. C. R., 105 ; 242 U. S., 202 ; 61 L. Ed., 248 ; (Important question of law ; S. C. reversed C. C. A. order dismissing bill).

The test of this court's jurisdiction is whether the statute makes the judgment of the court of appeals final, and not whether the judgment complained of is final. This court has frequently issued writs of *certiorari* to review interlocutory judgments, decrees, or orders, including orders granting or refusing preliminary injunction, as in the case at bar. Such action is especially appropriate, under the decisions, where the case is susceptible of final disposition by directing judgment on the merits in favor of petitioner, as in the case at bar.

American Construction Co. vs. Jacksonville R. R. Co., *supra*.

Mast, Foos & Co. vs. Stover Mfg. Co., 20 S. C. R., 706 ; 177 U. S., 485 ; 44 L. Ed., 856.

The Three Friends, *supra*.

Forsyth vs. City of Hammond, 17 S. C. R., 665 ; 166 U. S., 506 ; 41 L. Ed., 1095.

Leeds & Catlin Co. vs. Victor Talking Meh. Co., 29 S. C. R., 495 ; 213 U. S., 301 ; 53 L. Ed., 805.

In the case last cited, the grant of preliminary injunction had been affirmed by the court of appeals, second circuit. This court, upon *certiorari*, decided the legal effect, upon the term of a U. S. patent, of the expiration of a prior foreign patent. Concluding that "there was no abuse of discretion in granting the preliminary injunction, this court affirms the decree," leaving the case to proceed to trial on the merits as to other issues presented.

Harriman vs. Northern Securities Co., 25 S. C. R., 493 ; 197 U. S., 244 ; 49 L. Ed., 739, 760.

The district court granted a preliminary injunction ; the court of appeals, second circuit, reversed ; the Supreme Court granted writ of *certiorari*, affirmed the reversal of preliminary injunction order, and directed final disposition of the controversy, saying in part—

"In our opinion the record presented the whole case to that court in such wise that it might properly have been disposed of in terms by its decree, in accordance with the well-settled rule on that subject. * * * We granted the *certiorari* * * * and shall do what the circuit court of appeals might have done—that is, finally dispose of the case by our direction to the circuit court."

Hanover Star Milling Co. vs. Metcalf, 36 S. C. R., 357 ; 240 U. S., 403 ; 60 L. Ed., 713, 716.

There were two cases ; in one the Supreme Court reversed the court of appeals for the fifth circuit in reversing the grant of preliminary injunction by the district court, and

"remanded for further proceedings"—just as this court will be asked to do in the case at bar if the writ be granted. The Supreme Court said—

"No question is raised respecting the propriety of passing upon the questions at issue on a review of decisions rendered upon applications for temporary injunction. Both district courts granted such injunctions, and both circuit courts of appeals reversed upon grounds that went to the merits. These courts differed upon fundamental questions, and it was because of this that the writs of *certiorari* were allowed, the situation being such that it was deemed proper to allow them before final decrees were made, notwithstanding the general rule to the contrary."

Denver vs. New York Trust Co., 33 S. C. R., 657 ; 229 U. S., 123 ; 57 L. Ed., 1101, 1121.

The circuit court and court of appeals had granted preliminary injunction ; the Supreme Court reversed and directed dismissal of suit, saying in part :

"We come, then, to the objections made to the orders granting the temporary injunctions, and as these objections are addressed, not merely to the injunctions, but to the merits of both the bill and the cross bill, it is well to observe at the outset that our power of review, like that of the circuit court of appeals, is not confined to the act of granting the injunctions".

Eagle Glass & Mfg. Co. vs. Rowe *et al.*, 38 Sup. Ct. Rep., 80 ; 245 U. S., 275 ; L. Ed., .

The Supreme Court affirmed the court of appeals in dissolving a preliminary injunction, but reversed as to dismissal of the bill, and remanded "for further proceedings", remarking that "plaintiff is entitled to an opportunity on final hearing, to prove these allegations", etc.

This Court frequently issues writ of *certiorari* where "The decree of the Circuit Court of Appeals * * * reversed a

decree of the District Judge * * * and was dissented from by one of the three Circuit Judges,"—quoting from *American Constn. Co. vs. Jacksonville Ry. Co.*, *supra*. That is the precise situation in the case at bar.

This Court consistently issues writ of *certiorari* where there is conflict of decision between Courts of Appeals of two circuits. That is especially appropriate and necessary where two judges, constituting the majority of the Court of Appeals in one circuit, are opposed to two judges in the same circuit, and to the unanimous opinions of four judges in another circuit (two against six), as in the case at bar.

Forsyth vs. City of Hammond, *supra*.

Columbus Watch Co. vs. Robbins *et al.*, 13 S. C. R., 594; 148 U. S., 266; 37 L. Ed., 445.

Steward vs. Amn. Lava Co., 215 U. S., 161; 30 S. C. R., 46; 54 L. Ed., 139.

Rubber Tire Wheel Co. vs. Goodyear Co., 34 S. C. R., 403; 232 U. S., 413; 58 L. Ed., 663.

Hanover Star Milling Co. vs. Metcalf, *supra*; (unfair competition case).

Adamson vs. Gilliland, 37 S. C. R., 169; 242 U. S., 350; 61 L. Ed., 356.

Ry. Supply Co. vs. Elyria Co., 37 S. C. R., 502; 244 U. S., 285; 61 L. Ed., 1136.

Hart Steel Co. vs. Ry. Supply Co., *supra*.

Abercrombie & Fitch Co. vs. Baldwin, 38 S. C. R., 104; 245 U. S., 198; 62 L. Ed., 135.

This Court has frequently issued writ of *certiorari* to determine the conclusiveness in a second suit of a prior judgment in a first suit, as in the case at bar; for example, in

Forsyth vs. City of Hammond, *supra*.

Ry. Supply Co. vs. Elyria Co., *supra*.

Rock Springs Distilling Co. vs. W. A. Gaines & Co., 38 S. C. R., 327; 246 U. S., 312; 62 L. Ed., .

Denial of a petition for rehearing, as in the case at bar, is a reason favoring grant of *certiorari*. In *Amn. Constn. Co. vs. Jacksonville Ry. Co.*, *supra*, this Court referring to *Lau Ow Bew's case, supra*, and to *Cunard S. S. Co. vs. Fabre*, 13 S. C. R., 1045, remarked that "In each of those cases the Circuit Court of Appeals had declined to certify the question to this Court." In the *Cunard* case, as shown by report of a later decision therein (*The Umbria*, 17 S. C. R., 610), the refusal of the Court of Appeals was in the form of a denial of the petition for rehearing, just as in the case at bar.

Whether the Ohio judgment is technically final, as a matter of strict definition, as applying to the situation at hand, and whether it satisfies all of the technical exactions of *res adjudicata*, or of estoppel by judgment, calls for academic discussion in which it seems unnecessary to indulge. The material fact is, said judgment conclusively establishes the illegal status and character of the American Model Builder product there (and here) involved, leaving nothing more for future determination in that case but the amount of damages and profits.

In its opinion denying petitioner's motion for decision on the merits, the Court of Appeals for the Second Circuit says :

"We further disregard the objection that the Ohio decree is still only interlocutory and therefore under general principles cannot in any event constitute an estoppel. How far this rule may be changed when there has been decision upon an appeal from such a decree, and the cause has been remanded to the district court, we do not say. The reason for the rule limiting the conclusiveness of interlocutory decrees does not apply, *i. e.*, that the decree still remains *in gremio*, since the district court has no longer any power to modify so much as has been affirmed by the Circuit Court of Appeals. For the purposes of this motion, we may assume that in so

far as concerns the matters before the Circuit Court of Appeals, the issues have been finally and conclusively determined " (R., 329).

Although there is yet to follow the *accounting* in the Ohio case, the *decision* in that litigation is *final* ; and, in substance and effect, the Ohio decree is final in the aspect of its conclusiveness to the case at bar. Under the decisions cited below, the opinion of the Court of Appeals for the Sixth Circuit, reiterated in denying petition for rehearing in that first suit, constitutes a *final decision* upon the law and facts there (and *here*) in controversy, and conclusively establishes the respective rights of the parties to the case at bar ; and the decree thereon is tantamount to a *final* decree.

In Lovell-McConnell Mfg. Co. vs. Automobile Supply Mfg. Co., 235 U. S., 383, 387-8 ; 59 Law Ed., 282, 283 ; 35 S. C. R., 132, this court held, with respect to a question of clerk charges presented in that case, that (emphasis ours)

" while in a technical sense the decree here in question was interlocutory, when its *character* and the *scope* of the subject-matter which the appeal brought under review and the *relief* under it which it was competent to afford are considered, we are of opinion it must follow that such decree was within the intentment of this statute a *final* decree " (citing Smith vs. Farbenfabriken of Elberfeld Co., 197 F. R., 894-5, 6th C. C. A.).

In *In re* Sanford Fork & Tool Co., 160 U. S., 247 ; 40 Law Ed., 414 ; 16 S. C. R., 291, the unanimous Supreme Court, after citing numerous authorities, held (emphasis ours) that :

" When a case has been once decided by this court on appeal and remanded to the circuit court, whatever was before this court, and disposed of by its decree, is considered as *finally* settled. * * * The opinion delivered by this court at the time of rendering its decree may be consulted to ascertain what was intended by its mandate ; * * *

" It must be remembered, however, that no question once considered and *decided* by this court can be re-examined at any subsequent stage of the same case."

Mast, Foos & Co. vs. Stover Mfg. Co., 177 U. S., 485, 494 ; 44 L. ed., 856, 860 ; 20 S. C. R., 708 ; is one of a long list of authoritative cases as to the power of the Appellate Court, upon appeal from an interlocutory order, to decide the merits in favor of defendant. But the reasoning enunciated is consistent with petitioner's present contentions, that, upon consideration of an interlocutory order, the court has the power to decide the case on the merits in favor of plaintiff.

In *Perlman vs. U. S.*, 38 S. C. R., 417, 419 ; U. S., ; 62 L. Ed., ; this court said :

" The United States makes a motion to dismiss on the following grounds : * * * 2. The order of the district court if considered as a part of the criminal proceeding is not final, but merely interlocutory, and therefore not reviewable by this court. * * *.

" The second contention of the Government is somewhat strange ; that is, that the order granted upon its solicitation was not final as to Perlman, but interlocutory in a proceeding not yet brought and depending upon it to be brought. In other words, that Perlman was powerless to avert the mischief of the order, but must accept its incidence and seek a remedy at some other time and in some other way. We are unable to concur."

Applying this to the case at bar, is petitioner powerless to avert the mischief of the order of reversal merely because the judgment or decree is interlocutory ? Must petitioner be left to seek its remedy after the expense and trouble of a trial on the merits (which would presumably result in an unfavorable decision in view of the opinions heretofore expressed by the Appellate Court), and after an appeal therefrom (which would presumably result in an affirmance), and then petition this

court for writ of *certiorari*? We submit not. This is an "exceptional case" in which writ of *certiorari* at this stage "is necessary to prevent extraordinary inconvenience and embarrassment" under circumstances in which the "power and duty to require, by *certiorari* * * * the case to be sent up for review and determination, cannot well be denied" (Am. Constr. Co. vs. Jacksonville Ry. Co., *supra*).

We are in a court of equity, which regards *substance* rather than form and delights to do equity and justice regardless of technicality. And we are proceeding under the modern equity rules and practice, the entire spirit and purpose of which is to *expedite* the administration of justice—or, in the vernacular, "to cut out red tape."

On the Merits.

This court upon occasion has remarked that its grant of writ of *certiorari* is not an indication of what its decision may be on the questions presented. We assume, however, that it is not premature, but rather necessary, to discuss the merits sufficiently at this time to show support for the contention of error by the court below.

In a few words, the situation presented in this case is this—Petitioner sued the manufacturer (Wagner) of the American Model Builder toy product in the Sixth Circuit. After decision and decree in that first suit by the District Court, sustaining the charges of unfair competition and copy-right infringement, and while that suit was still pending on appeal to the Court of Appeals of the Sixth Circuit, plaintiff filed this second suit involving the same causes of action and issues, against a customer (Wanamaker, New York) for its dealings in and sale of the same product obtained from said manufacturer. Under an obligation (R., 285) or "assurance to hold defendant [herein] harmless from any loss or liability by reason of the purchase and sale of toys manufactured by

The American Mechanical Toy Company" (the *alter ego* of Wagner), said manufacturer, the defendant in the first suit, assumed the defense of this second suit against the customer, thereby becoming the *real defendant* and leaving Wanamaker only the nominal defendant and "only formally represented" (R., 328) herein. While the appeal herein was pending and before it was decided, the Court of Appeals for the Sixth Circuit affirmed (R., 305) the Ohio District Court on the aforesaid causes of action and issues, and on January 14, 1918, denied petition for rehearing (R., 316). Petitioner-plaintiff thereupon promptly, about January 25, 1918 (following and citing the practice approved by this court in *Hart Steel Co., et al., vs. Ry. Supply Co., supra*), moved (R., 303) before the Court of Appeals for the Second Circuit for a decision on the merits, in this second suit, urging said judgment in the first suit as "final and conclusive as to the case at bar", etc. Said Court of Appeals denied that motion (R., 327). Later the same court held (R., 335)—contrary to the judgment of the courts in the Sixth Circuit—that unfair competition and copyright infringement had not been established on the preliminary injunction motion, and *reversed* the order granting such an injunction herein, with costs to respondent.

The failure of the Court of Appeals to give full force and effect herein to the prior judgment in the Ohio suit turns upon the sameness of issues in the two suits. That Court was apparently convinced as to the identity or privity of parties to the two suits, although it did not directly decide that point.

Admitted facts and circumstances establish identity or privity of the defendants in the two suits. We refer again to the sworn answers to interrogatories, set forth in Sec. 10 of this petition, showing that the defendant in the first suit is defending this second suit; is the *real defendant* herein under the assurances to the nominal

defendant Wanamaker to hold it harmless by reasons of its dealings in the product in controversy; and also to the fact that the active defense of this suit has been conducted throughout by Messrs. Toulmin and Toulmin, acting herein, and also in the first suit, as attorneys for the manufacturer Wagner.

We also note the affirmance by Wagner, the real defendant herein, by statements certified by counsel H. A. Toulmin to be "well and truly founded both in fact and law" (R., 408), in his second petition for rehearing in the first case (Sec. 5 of Petition), that "by the pleadings herein and defendant's sworn admissions, it is established that * * * *the parties in interest are the same (or in privity)*" (R., 403).

The Court of Appeals (Judges ROGERS, LEARNED HAND and MAYER) says:

"We may assume that Wagner's intervention here is of such a kind as would create a good estoppel against him in any subsequent case" (R., 330).

"While we do not hold that the decree is an estoppel, taken strictly, even as to those toys and manuals, we may even suppose that, Wagner having now intervened, it is such" (R., 331).

Thus, while the Court of Appeals declined so to "hold", it was evidently of opinion that identity or privity of defendants is established.

Rock Springs Distilling Co. vs. W. A. Gaines & Co., 38 S. C. R., 327; 246 U. S., 312; 62 Law Ed., is strikingly in point. It is an unfair competition and trademark case, taken up on *certiorari* after the Court of Appeals had denied petition for rehearing (Record therein Vol. 1, pp. 337, 387). One of the issues was *whether there was privity between the defendants (or their successor The Hellman Distilling Co.) in a first suit and the defendant in a second suit.* A "petition to be permitted to intervene" by the defendants in the first suit (or their successor) was denied (38 S. C. R.,

top p. 328). The Supreme Court reversed the Court of Appeals (226 F. R., 536) which had reversed the District Court (202 F. R., 989). The latter dismissed the bill, holding a prior judgment conclusive against plaintiff in its attempt to thus relitigate the same issues, such defense having been interposed by plea. In the first suit, in the Eighth Circuit, against Hellman & Hellman, the latter's right to use the trade-mark on straight whiskey was established. The plaintiff then brought suit in the Sixth Circuit against the Gaines Co., who manufactured blended whiskey on which the mark was used. It was established that the Gaines Co. was in privity with the Hellmans, "manufacturing whiskey under contracts of agency for them or their successors and neither have nor claim any right except through such contracts" (statement of facts, 38 S. C. R., 328), and further (C. C. A.'s decision 226 F. R., 531, 536, 537), that the Gaines Co. was so manufacturing "*under a bond of indemnity*" from the Hellman Co. "*to protect them against plaintiff's claims*".

The Court of Appeals held that privity had been established between the defendants in the two cases, but decided in favor of plaintiff on another theory. The Supreme Court, observing that "the issues in that case were the same as those in the present case as to the right of the use of the word 'Crow with any of its qualifications,' remarked that the Court of Appeals had 'refused to decide * * * that the defendants in this suit were not in privity with the defendants in the other and it rejected the contention that use of the trade-mark established in the Hellman Co. in the blended whiskey was not an adjudication of the right to use it upon a straight whiskey. In the ruling on both contentions, we concur'" (38 S. C. R., 329).

The Court of Appeals had said (and the Supreme Court concurred)—

"we first meet the objection that there is no privity of parties. We must think that privity sufficiently ap-

pears. The parties defendant in that case, at the time of its commencement, had been the two Hellmans, who were partners. Pending the suit, one partner died, and his administrator, Kahn, was substituted. Later, but still pending the suit, the entire business of the Hellman Bros. was transferred to the just organized corporation, the Hellman Distilling Company * * *. The corporation was therefore a party to the suit at the time of the final decree. During the existence of the partnership of the Hellman Bros., it had leased the distillery of the Rock Spring Distilling Company, near Owensboro, Ky., and as lessee it had manufactured whiskey there in 1904.

"The Hellman Distilling Company, as such lessee, continued such manufacturing in 1905, 1906 and 1907. In 1909 all this remained in bond in the distillery warehouse. In 1909 and after the final decree in the Missouri case, the Hellman Distilling Company contracted with the Rock Springs Company, and with Rosenfield, as its lessee, for the further manufacture of whiskey, and for the bottling in bond of the 1904 stock, and for the use upon such bottles of the brand or label 'Hellman's Celebrated Old Crow.' *The Hellman Company gave to defendants a bond of indemnity to protect them against plaintiff's claims; in using this brand or label, defendants are acting for and in behalf of the Hellman Distilling Company; and the right of that company to use this brand on this article is the very thing in controversy. The former decree must be given the same force and effect as if the Hellman Distilling Company were the nominal, as it is the real, defendant here.* Kessler v. Eldred, 206 U. S., 285; 27 Sup. Ct., 611; 51 Law Ed., 1065" (226 F. R., 536-537; emphasis ours).

Identity of subject-matter in the two suits is admitted and otherwise established. The failure of the Court of Appeals to enforce herein the prior judgment in the Ohio suit appears to have turned upon this question, that Court (Judges ROGERS, LEARNED HAND and MAYER) saying that

"some of the issues [here] are different from those litigated in Ohio " (R., 330), and that they are not "coextensive."

We respectfully insist that in so ruling the Court of Appeals erred, as urged in petitioner's motion for rehearing; and that upon the record herein the issues in this cause are not only *essentially the same* (which the authorities recognize as sufficient), but are *identical* with those in the Ohio suit.

The verified bill alleges that *Wanamaker deals in*, offers for sale, and sells "*American Model Builder*" outfits, separate parts, manuals of instruction, etc.; and that the American Model Builder product complained of in the Sixth Circuit suit was "*the same as the American Model Builder product, books, publications, etc., which the defendant herein, John Wanamaker, New York, is hereinbefore charged to have offered for sale, sold, advertised and distributed, in violation of your Orator's rights as aforesaid*" (R., 20). In short, the bill throughout repeatedly refers to Wanamaker's dealings in "*American Model Builder*" product (and none other) as the acts complained of as constituting unfair competition and copyright infringement.

By its answer, the defendant admits its dealings in said product manufactured by said Ohio manufacturer (R., 36); and admits that the Ohio suit against the manufacturer is "*upon the same issues as involved herein*" (R., 61).

Plaintiff's moving affidavits show that respondent Wanamaker is herein charged with respect to "the same '*American Model Builder*' building toy outfits, separate parts, manuals, and other printed matter as were involved * * * in said Ohio case, and adjudged in that case to constitute unfair competition and copyright infringement" (R., 115).

Respondent's reply affidavits, particularly that of the manufacturer Wagner, affirmatively asserts "*the issues in both suits to be substantially the same,*" the customer Wanamaker being here "*sued as a merchant * * * who buys and sells the same goods or toy outfits that are involved in the Ohio suit*" (R., 183).

Judge A. N. HAND (D. C. S. D. N. Y) in the decision herein (R., 273) found the Ohio suit to be "against the manufacturer of the mechanical construction toy involved here," "*upon the precise issues involved in this cause* * * * brought against a customer of the defendant in that case" (R., 273).

The motion of the manufacturer, Wagner (The American Mechanical Toy Co.), before the Sixth Circuit Court of Appeals, to enjoin this suit, correctly refers to it as being "against John Wanamaker, a customer * * * who purchased toy outfits from said manufacturer * * * *the same in kind as those involved in this action*" (R., 269); and the Wagner supporting affidavit correctly refers to the two suits as being "*upon the same issues* * * * save only that John Wanamaker was made defendant [here] instead of the Ohio defendants" (R., 271).

In his second petition for rehearing in the Ohio suit, *after* the decisions of the Court of Appeals in this suit, Wagner (The American Mechanical Toy Co.) and his same counsel (Messrs. Toulmin & Toulmin) who are defending this suit in his behalf, state that the "*issues in said [this] case in the Second Circuit were the same as in this [the Ohio] case,*" and quote with approval from one of respondent's briefs herein the statement that "it is established that there exist, in said case in the Sixth Circuit * * * and in the case at bar, the following five identities * * * (2) *the subject matter is the same* * * * (4) *the issues are the same*" (R., 403-4). The petition including these statements is certified by Mr. H. A. Toulmin (R., 408) as being "well and truly founded both in fact and in law."

Judge LEARNED HAND says in his dissenting opinion that "so far as the facts appear at present it [Wanamaker] is only buying its toys of Wagner" (R., 340).

In further confirmation of the identity of issues in the two suits, we refer to the action of the District Court (the same Judge MAYER who sat on the Court of Appeals, R., 327,

when it decided that "some of the issues are different") in entering a decree herein (see Sec. 15 of the Petition) dismissing the bill "as to the charge of unfair competition." Such decree was entered as the result of Respondent Wanamaker's motion—

"That in view of the law of this case respecting the question of unfair competition as laid down by said Court of Appeals in its said decision, the bill of complaint be dismissed in respect to the alleged cause of action based on unfair competition."

If there were, in fact, issues relating to toys other than those obtained by Wanamaker from Wagner, Judge MAYER would not have ignored such issues by entering such a decree.

The proofs before the Court of Appeals on the motion for preliminary injunction concern only Wanamaker's dealing in Wagner's American Model Builder product. The issues to be decided are those to which the parties have restricted the cause, by proofs or otherwise, even upon the supposition that the pleadings may have offered opportunity for other issues. So in the case at bar, supposing that the pleadings may have offered such opportunity for "different" issues concerning Wanamaker's right to sell toys and manuals which Wanamaker may have procured from others than Wagner,—issues not "co-extensive with the issues litigated in the Ohio suit,"—nevertheless, the *fact* is, the issues as *presented* by the record before the Court of Appeals "*are the same* in each case" and the issues in this suit *are* "coextensive with the issues litigated in the Ohio suit." By their repeated declarations the parties have committed themselves to issues confined to the Wagner product, and certainly would not be permitted, on trial, to raise an issue as to toys which Wanamaker might procure elsewhere than from Wagner.

It has been suggested that "Wanamaker must have its

day in Court upon its own right to make and sell the toys or to buy them of others " than Wagner (dissenting opinion, R., 340). The answer is that the issues here *relate exclusively* to Wanamaker's dealings in the American Model Builder product obtained from Wagner (The American Mechanical Toy Co.). That answer also disposes of the suggestion, by defendant's brief below, that " Wanamaker is entitled to make an independent defense." And this raises what is after all merely a *moot question*—moot on two grounds. In the first place, Wanamaker has voluntarily *relinquished* his original right to make an " independent " defense, and has committed the defense to the Ohio defendant. The outcome of this present suit can make no pecuniary difference whatever to respondent *Wanamaker*. Whether Petitioner wins or loses, Wanamaker can obtain no more of Wagner's infringing product (the subject of this suit)—the Ohio decree (R., 317) and injunction (R., 325) cutting off the source of supply ; and whether the accounting in the Court below shall give petitioner a large recovery or a small one, the Ohio manufacturer is bound to hold Wanamaker harmless. By the act of Wanamaker in turning the defense of this suit over to Wagner, and the act of Wagner in assuming it, Wagner has become the real defendant herein, subjecting this suit to the full effect of the Ohio judgment.

And, in the second place, the formal Answer filed herein, in the name of Wanamaker, contains *nothing* not already used by Wagner in the Ohio suit, and there found futile. In other words, the defense actually set up here is *not* "an independent defense," whether it be regarded as presented by and on behalf of Wagner (the real party in interest), or by and on behalf of the nominal defendant Wanamaker.

Had the manufacturer prevailed in the first suit, establishing immunity for his American Model Builder product from interference by further suit, that judgment could have been

pleaded as an estoppel in this second suit against the customer on the same product. A test of estoppel is *mutuality*. Had the bill in the first suit been dismissed by the Ohio court, can it be doubted that the Ohio defendant, Wagner, would have at once asserted privity and at once have been entitled to a dismissal of this Wanamaker suit which said Wagner (The American Mechanical Toy Co.) is openly defending at his own expense under an avowed agreement to hold the nominal defendant (Wanamaker) harmless (Kessler vs. Eldred, *infra*). And, if so, then from the mutuality of estoppel the decision in Ohio adverse to the manufacturer should be followed by a decision adverse to him here.

**The American Mechanical Toy Company, an
Ohio Corporation.**

In a brief in opposition to Petitioner's motion for a decision on the merits, respondent, for the first time in this suit, suggested the existence of such a corporation, in an effort to repudiate, or break the chain of privity of parties defendant in the two suits. It seems appropriate briefly to anticipate a repetition of such contention by respondent's answer to this application for *certiorari*. Respondent's brief aforesaid (of February, 1918) contends that the answers to interrogatories (R., 284-6) do not establish identity or privity of the parties defendant in the two suits "because the Ohio corporation, The American Mechanical Toy Company, referred to in the answers to the interrogatories, was not a party to the Ohio suit. That corporation did not come into existence until January, 1916, while the Ohio suit was instituted December 24, 1913." That the counsel (Messrs. Toulmin & Toulmin) who signed that brief *later* realized the error of such contention is shown by their approval—in the second petition for rehearing in the Ohio suit (R., 402) signed by them, certified by "H. A. Toulmin" and dated May 1, 1918 (R., 404)—of statements

quoted from one of petitioner's briefs that "By the pleadings herein and *defendant's sworn admissions*, it is established that *** *the parties in interest are the same (or in privity)*" in the two suits.

The Court of Appeals, apparently finding no merit in such contentions herein regarding the corporation, regarded the answers to the interrogatories as applying to Wagner, the Ohio defendant, regardless of whether or not he has incorporated his business.

There is nothing in the record before this court showing or even suggesting the existence of the corporation, or that "The American Mechanical Toy Company," referred to in the answers to the interrogatories, is any other than "Francis A. Wagner (trading as The American Mechanical Toy Company)", the defendant in the Ohio suit, so named throughout the bills and papers in both suits.

On the record in the Ohio suit the corporation does exist, and by the Order on Mandates, entered on Feb. 11, 1918, (certified copy filed with the papers) the District Court in Ohio directed the entry, *nunc pro tunc* as of the date of its verification, of petitioner's Supplemental Bill impleading Wagner's said Ohio corporation; and put said Ohio corporation *under injunction* (see footnote excerpt from

" 10. And that complainant's motion to implead The American Mechanical Toy Company, an Ohio corporation (presented pursuant to the Order entered Dec. 15, 1917, by the Court of Appeals), be and the same hereby is granted; that the sworn copy of complainant's Bill in the Nature of a Supplemental Bill (verified April 3, 1917, and now on file in said Court of Appeals), be and the same hereby is ordered filed and entered *nunc pro tunc* as to the date of its verification; that a *subpoena ad respondendum* be issued, directed to said corporation and requiring it to answer said Bill within twenty days from the date of service; that service of said *subpoena* may be made upon any one of the original defendants' counsel of record herein; and that, in the meantime, said The American Mechanical Toy Company, and its officers, agents, and employees, be and they hereby are enjoined *pendente lite* in the same manner and to the same extent as herein directed with respect to the original defendants; and that all other determination with respect to said corporation await the expiration of said twenty-day period."

Order), and directed it to file its Answer within twenty days, said corporation being merely Wagner's *alter ego*.

From the standpoint of this litigation, and so far as concerns any question herein of privity of defendants in the two suits, no distinction can be made between "Francis A. Wagner (trading as The American Mechanical Toy Co.)" and "The American Mechanical Toy Company" an Ohio corporation. *This has been repeatedly recognized by the defense herein.* For example, in the Wagner affidavit (of Dec. 22, 1916) in opposition to the preliminary injunction motion, he says :

"As to Mr. Wanamaker's purchase of the toy outfits of our manufacture, and the sale of which I understand plaintiff seeks to enjoin in this action, I beg to inform the Court that such outfits were purchased by Mr. Wanamaker through his purchasing agents, from us since July, 1916" (R., 183).

"I further informed the Court that the *defendants in the Ohio suit* sold the toy outfits to Mr. Wanamaker by virtue of said supersedeas bond * * * this present action * * * is hurtful to us as manufacturers, is destructive of our rights, * * * is also an attempt to injure us" (R., 184-5).

Wagner thus says that the toys bought by Wanamaker "since July, 1916," at which time the corporation had been conducting the business for some months (since January, 1916), were sold to Wanamaker by "the *defendants in the Ohio suit*," thus himself recognizing no distinction between Wagner (trading as the American Mechanical Toy Co.), the Ohio defendant, and the corporation of the same name.

The \$50,000 bond, given in the Ohio suit to supersede an injunction against Wagner (trading as The American Mechanical Toy Company), was given in July, 1916 (R., 169), some months after the corporation is claimed to have taken over and continued the conduct of the business by virtue of said bond.

Now, if the facts were that the nominal defendant Wanamaker had an agreement directly with the Ohio defendant Wagner himself (instead of with Wagner's corporation), and that Wagner himself had entered into and is personally carrying out his individual agreement to hold Wanamaker harmless, and that Wanamaker has surrendered the entire defense to the individual Ohio defendant Wagner (instead of to Wagner's corporation), then *privity* would be disputed; and every estoppel against Wagner in Ohio would apply against Wagner here. The privity and estoppel exist in spite of the interposition of Wagner's corporation. The "chain of *privity*" is not broken by Wagner's having incorporated his business. See, among other decisions:

Linn & Lane vs. U. S., 236 U. S., 574; 59 Law Ed., 725.

Simmons vs. Doran, 142 U. S., 417; 35 Law Ed., 1063.

Brill vs. Washington Railway Co., 30 S. C. R., 177; 215 U. S., 527; 54 Law Ed., 311.

Postal Telegraph Cable Co. vs. City of Newport, Ky., 38 S. C. R., 566; 62 Law Ed., .

G. & C. Merriam Co. vs. Saalfeld, 190 F. R., 927; 6th C. C. A.

In the last cited case, a judgment in favor of plaintiff in a prior suit between the same plaintiff and one Ogilvie, on the same cause of action, unfair competition, was pleaded as a bar, the defendant Saalfeld having "taken over" the business while said first suit was still pending. Saalfeld was held bound by the judgment in the first case, the court remarking:

"If a third party may thus come into the acquisition of rights involved in pending litigation without being bound by the final judgment, and require a suit *de novo* in order to bind him, he might, pending that suit, alienate that right to another with the same result, and a final decree bearing fruit could never be reached" (932).

Hunter vs. Baker Motor Vehicle Co., 225 F. R., 1006, D. C. N. D. N. Y., RAY, J.

"The legal fiction of distinct corporate entity is disregarded, when necessary to do so in order to circumvent fraud, and also when a corporation is so organized and controlled and its affairs are so conducted as merely to make it an instrumentality or adjunct of another corporation. And it matters not how deftly the transaction is concealed by a succession of adjuncts and instrumentalities with corporate names all under one control" (pp. 1015-1016).

Upon the basis of the foregoing, the following is noted in further support of this petition :

Point I. In view of the identity of issues, and the identity or privity of parties, the judgment in the earlier sixth circuit suit is conclusive in this later second circuit suit, both as to grant of preliminary injunction and as to petitioner's right to a decision on the merits, leaving for future disposition herein only the matter of accounting.

Hart Steel Co. *et al.* vs. Railway Supply Co., 37 S. C. R., 506 ;
244 U. S., 294 ; 61 Law Ed., 1148 :

In this case, taken up on *certiorari*, the question decided was as to the conclusiveness to be given in one case of a prior judgment in another case. We tabulate the proceedings in the two suits as follows :

Hart Steel Co. et al.
vs. Ry. Supply Co.
"First case" Against
Manufacturer in 7th Circuit.

Railway Supply Co.
vs. Elyria Iron & Steel Co.
"Second case" Against
Selling Agent in 6th Circuit.

Bill filed Dec. 9, 1908.

Bill filed March 29, 1909.

District Court decided non-infringement, bill dismissed Dec. 18, 1911.

Appealed to C. C. A.

Defendant moved before C. C. A., upon basis of 6th C. C. A. judgment in second case, for affirmance of decree below. Motion denied same day, Oct. 6, 1914.

Case argued on merits, and on Jan. 5, 1915, 7th C. C. A. sustained patents and held same infringed, reversing Dist. Ct.

Supreme Court reversed 7th C. C. A. on ground of *res adjudicata*, by judgment of 6th C. C. A. in second case.

The product in issue in both suits was a 5,000 ton lot of tie plates manufactured by the Hart Company and disposed of by its agent, the Elyria Iron and Steel Co. The decision says :

“ The Elyria & Iron Steel Company, the defendant in the Second Case, was a manufacturing corporation and was the owner of all of the stock of the Hart Steel Co., the defendant in the First Case, which was the selling agent of the Elyria Company, and Wood was its manager.

“ The same defenses being relied on in the two cases
* * *

“ On the 6th day of October, 1914, the first day of the next ensuing term of the Circuit Court of Appeals for the Seventh Circuit, the defendants in the first suit which was still pending undetermined filed a motion

District Court decided non-infringement, bill dismissed March 4, 1912.

Appealed to C. C. A.

Sixth C. C. A affirmed District Ct. April 19, 1914, and on June 6, 1914, denied rehearing.

praying that court to affirm the decree of the Circuit Court upon the ground that all the issues in the case had been fully and finally determined and adjudicated by the Circuit Court of Appeals in the Second Case * * *.

"The Hart Steel Company and Wood, as petitioners in this court, assign as error the overruling by the Circuit Court of Appeals of the Seventh Circuit of their motion to affirm the decision of the Circuit Court in their favor * * *.

"With the identity of the subject-matter and issues of the two cases admitted, the privity of parties to them clear, and the question of the ruling effect of the decree of the Circuit Court of Appeals for the Sixth Circuit presented in an appropriate manner to the Circuit Court of Appeals of the Seventh Circuit, a court of co-ordinate jurisdiction, we cannot doubt that the latter court fell into error in not sustaining the motion of the petitioners to affirm the decision of the Circuit Court. The defendants should not have been put to further expense, delay and trouble after the motion was presented. The question is ruled by *Kessler v. Eldred* (206 U. S., 285), *Brill v. Washington R. & E. Co.* (215 U. S., 527), and *Russell v. Place* (94 U. S., 606).

"This doctrine of *res adjudicata* is not a mere matter of practice or procedure inherited from a more technical time than ours. It is a rule of fundamental and substantial justice, 'of public policy and of private peace,' which should be cordially regarded and enforced by the courts to the end that rights once established by the final judgment of a court of competent jurisdiction shall be recognized by those who are bound by it in every way, wherever the judgment is entitled to respect. *Kessler v. Eldred, supra.*" (37 S. C. R., 507).

In *Kessler vs. Eldred*, 27 S. C. R., 611; 206 U. S., 285; 51 Law Ed., 1065, *Kessler* had successfully defended a first suit; whereas in the case at bar the first suit has resulted in a judgment for plaintiff. In deciding that *Kessler* was en-

titled to enjoin the bringing of other suits against his customers as to the same product, the Supreme Court said :

"Leaving entirely out of view any rights which Kessler's customers have or may have, it is Kessler's right that those customers should, in respect of the articles before the court in the previous judgment, be let alone by Eldred, and it is Eldred's duty to let them alone. The judgment in the previous case fails of the full effect which the law attaches to it if this is not so. If rights between litigants are once established by the final judgment of a court of competent jurisdiction those rights must be recognized in every way, and wherever the judgment is entitled to respect, by those who are bound by it. Having, then, by virtue of the judgment, the right to sell his wares freely, without hindrance from Eldred * * *".

In discussion of this case in *Rubber Tire Wheel Co. vs. Goodyear T. & R. Co.*, 34 S. C. R., 403, 405 ; 232 U. S., 413, this court remarks that the decree in the first suit "had the effect of entitling Kessler to continue the business of manufacturing and selling throughout the United States the same lighter * * * without molestation by Eldred through the patent", and that "the equity thus sustained sprang from the decree in the former suit between the parties", and that Kessler's right to make and sell, which has been "unsuccessfully challenged as an infringement was deemed to include the right to have others secure in buying that article, and in its use and resale."

Upon the same principle, the Ohio judgment herein establishes petitioner's right of immunity from further interference by Wagner, such as his assumption of the defense of this suit.

In his dissent herein, Judge LEARNED HAND refers to *Kessler vs. Eldred* as "a case of somewhat the same character" as that at bar, further stating--

"It seems to me that there is no substantial difference between Kessler's right in that case, which was

his 'good-will' ('universitas'), and the specific right established in this case in the plaintiff's favor against Wagner. I dissent" (R., 340-341).

In its decision herein on plaintiff's motion for "Decision on the merits" the Court of Appeals says :

"It might, for example, be held under an extension of the doctrine of *Kessler v. Eldred*, 206 U. S., 285, that the purchase of toys and manuals from Wagner, which he had been enjoined from selling, if not in actual contempt of that decree, was at least in derogation of the plaintiff's rights established thereby, and thus a tort against it, regardless of defendant's personal rights to sell toys and manuals if bought from others, or to manufacture them itself and sell them without the co-operation of Wagner" (R., 330).

Brill vs. Washington Ry. & Elec. Co., 30 S. C. R., 177 ; 215 U. S., 527 ; 54 L. Ed., 311.

On appeal, the Supreme Court affirmed the court of appeals of the District of Columbia which had affirmed the lower court in dismissing bill upon a holding of non-infringement of patent. This suit against a user was defended by the Peckham Mfg. Co., the vendor, and successor by purchase to the Peckham Motor Truck & Wheel Co. In a suit by the same plaintiff against the North Jersey Street Ry. Co. on the principal patent claim here relied upon the C. C. A. held the claim void (134 F., 580), reversing the circuit court (125 F., 526) in a suit "said to have been defended by the Peckham Motor & Truck Co." This Court said :

"If the first Peckham Company was privy to the decree declaring the patent void, there would be great force in the argument that that decree established, as against the plaintiff, the right of the Peckham Mfg. Co. to make and sell the patented article, and that the right

ought to be recognized in a suit against its customer, defended by it. *Kessler v. Eldred*, 206 U. S., 285, 288, 289, 51 L. ed., 1065, 1067, 27 Sup. Ct. Rep., 611. It is unnecessary to decide that question, because the formal proofs are wanting."

Penfield vs. Potts Co., 126 F. R., 475, 479, 6th C. C. A. (LURTON, SEVERENS and RICHARDS, decision by LURTON).

"Now it came to pass that the suit of *Potts et al. v. The Anderson Foundry and Machine Works* was finally decided in the Court of Appeals for the Seventh Circuit before a final decree in this present suit, though after an interlocutory decree upon the merits * * *. Thus the question in respect of the infringement of the third claim was in each of these two cases identical, and if the appellants were privies with the Anderson Machine Company in such sense that they would have been concluded by a decree determining a question litigated upon the same evidence in each case, it must follow, from the mutuality of an estoppel, that the patentees who were plaintiffs in both cases would be also concluded, for an estoppel by judgment or decree must be mutual. * * * That the appellants did join * * * in the defense of that case, and that their conduct in defending the case * * * was well known to the opposite party * * * is not denied. * * * An estoppel by a decree exists, although the demand in the two cases is not the same, whenever the question upon which the recovery in the second case depends has been before decided, under like conditions, between the same parties or those in privity with them. *Southern Pacific R. Co. v. U. S.*, 168 U. S., 1; 18 S. C. R., 18; 42 L. ed., 355."

Sacks vs. Kupferle, 127 F. R., 569 (C. C., E. D. Mo., E. D.).

There had been a first suit against a customer defended by the manufacturer, who was the defendant in this second suit.

"The claim and demand sued upon in that case were the same as those now involved in the present case.

The parties were in contemplation of law the same in that case as are now involved in this case. It is of no legal significance that the defendant's factor or agent was the nominal party in the Massachusetts Case. The facts are * * * that the defendant Kupferle * * * manufacturer * * * undertook the full defense. * * * Accordingly the final judgment rendered in the Massachusetts case on the merits was a 'finality as to the claim or demand sued on concluding parties and those in privity with them, not only as to every matter which was offered and received to sustain or defeat the claim or demand, but as to any other admissible matter which might have been offered for that purpose.' *Cromwell v. The County of Sac.*, 94 U. S., 351."

Warren Featherstone Co. vs. De Camp, 154 F. R., 198, C. C. N. D. Ill., KOHLSAAT.

In a first suit, the same plaintiff had sued the American Featherbone Company on the same patent and issue. De Camp, the defendant in this second suit, became agent for that Company, and, because of such privity, pleaded estoppel by the judgment in the prior suit. Referring to the successful defense of the first suit, the decision remarks :

"Under the decisions, that defense inures to the benefit of those in privity with the latter company" (p. 199). "Clearly defendant must have entered into the employment of said American Featherbone Company charged with knowledge of the then pending suit. He was in position to win or lose with his principal, and his relation to that suit invested his case with that mutuality which is an essential element of estoppel" (p. 200).

Thus, defendant having prevailed in the prior suit, the Court dismissed the bill in the later suit on the ground of *res adjudicata* ; but had defendant lost in the first suit, the judgment therein would have been equally conclusive against him

and his privy De Camp in the second suit. Plaintiff would have been entitled to judgment on the merits in the second suit, leaving for determination only the amount of profits and damages. That is the situation in the case at bar.

Point II. The sixth circuit judgment in the first suit should have been upheld and enforced in the present suit, both as to the grant of preliminary injunction and as to petitioner's motion for a decision on the merits, "quite independently of how we [the 2d C. C. A.] might ourselves view the transactions out of which the Ohio decree proceeded" and "regardless of what relief we might have given the plaintiff upon the stated facts" (dissenting opinion, R., 340).

In *Kempe's Lessee vs. Kennedy*, 5 Cranch, 173, 184; 3 Law Ed., 70, 73, it is stated :

"In this case two points are made by the plaintiff in error :

"1. That the judgment rendered by the Court of Common Pleas, which is supposed to bar the plaintiff's title, is clearly erroneous.

"2. That it is an absolute nullity, and is to be entirely disregarded in this suit.

"However clear the opinion of the Court may be on the first point, in favor of the plaintiff, it will avail her nothing unless she succeeds upon the second."

See, also,

Forsyth vs. City of Hammond, 17 S. C. R., 665; 166 U. S., 506.

City of New Orleans vs. Citizen's Bank of La., 167 U. S., 371, 379.

Southern Pacific R. R. Co. vs. U. S., 168 U. S., 1; 18 S. C. R., 18; 42 L. Ed., 355.

Bates vs. Bodie, 28 S. C. R., 182; 245 U. S., 520; 62 L. Ed.,

Case vs. Beauregard, 101 U. S., 688.

Hubbell vs. U. S., 171 U. S., 203; 19 S. C. R., 21.

Point III. Regardless of identity of issues and identity or privity of defendants in the two suits, the decision of the court of appeals for the sixth circuit, a court of co-ordinate jurisdiction, should have been accepted and enforced by the court of appeals for the second circuit as conclusively supporting the grant of preliminary injunction herein.

National F. & P. Works vs. Oconto City W. S. Co.,
22 Sup. Ct., 111; 183 U. S., 216; 46 Law Ed.,
157.

Hancock National Bank vs. Farnham, 20 S. C. R.,
506; 176 U. S., 640; 44 Law Ed., 619.

These cases, relating to the faith and credit to be given judgments of the courts of one state by the courts of another state, by Federal Courts to the judgments of State Courts, and *vice versa*, are authorities for a principle also applicable between Federal Courts of co-ordinate jurisdiction.

In Westinghouse Elec. & Mfg. Co. vs. Stanley Instrument Co., 133 Fed., 167, the 1st C. C. A. said :

" On several occasions we have explained our disposition to follow the decisions of the Circuit Courts of Appeals in other circuits, recognizing them as carrying practically the same weight as our own. * * * The Supreme Court laid down a like practical rule in *Hobbs v. Beach*, 180 U. S., 383, 388, 389; 21 Sup. Ct., 409; 45 L. Ed., 586 " (pp. 172, 173).

In *Penfield vs. Potts Co.*, 126 F. R., 475, 478, the 6 C. C. A. (LURTON, SEVERENS and RICHARDS, decision by LURTON) said :

" Technically, the present appellants may not be concluded by our former decision, nor by that of the Supreme Court, because not parties or privies in the case of *Potts v. Creager*.

" But a decent respect for the stability of judicial decision, and a proper regard for the security of prop-

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erty in patents, requires that we shall not reverse our original holding in respect of the same patent, unless convinced of a very palpable error in law or fact. We are not convinced of error in the present case, and see no reason for disregarding the rule of *stare decisis*. We must therefore affirm the decree of the court below, so far as it held the sixth claim of the original Potts patent valid, leaving open only the question of infringement."

Point IV. The judgment in the first case should also have been upheld and applied under the rule that the findings of a trial court, based upon testimony given in open court, must be treated as unassailable.

"It surpasses the power of belief that a man who testified that there was nothing in the invention * * * should have come by pure chance to make so exact a replica of the plaintiff's specific form. Inspection of the two castings shows more clearly than can words that one must have been a copy of the other. * * * The case is pre-eminently one for the application of the practical rule that so far as the finding of the Master or Judge who saw the witnesses 'depends upon conflicting testimony or upon the credibility of witnesses, or so far as there is any testimony consistent with the finding, it must be treated as unassailable' " (Davis vs. Schwartz, 155 U. S., 631, 636).

Adamson vs. Gilliland, 37 S. C. R., 169, 170; 242 U. S., 360; 61 Law Ed., 356, 357.

"The contentions could not well be more antagonistic, upon each of which there was conflicting testimony, and the important fact is to be borne in mind that it was given in open court (except as to certain contentions about patents, their scope and validity). The fact justifies deference to the findings of the trial court."

"The testimony was conflicting, it is true, and differ-

ent judgments might be formed upon it, but from an examination of the record we cannot pronounce that of the trial court to be wrong. Indeed, it seems to us to be supported by the better reason. We should risk misunderstanding and error if we would attempt to pick out that which makes against it and disregard that which makes for it and judge the witnesses from their reported words as against their living presence, the advantage which the trial court had" (p. 476).

U. S. vs. United Shoe Mch. Co. of N. J., 38 S. C. R., 473, 475, 476.

See, also,

Westermann vs. Dispatch Co., 233 F. R., 609 (6th C. C. A.).

Luten vs. Sharp, 234 F. R., 880 (8th C. C. A.).

Gibson vs. Amer. Graphophone Co., 234 F. R., 633, 635 (2nd C. C. A.).

The Court of Appeals for the Second Circuit, in the case at bar, ignores the findings by the Ohio trial court (affirmed by the 6th C. C. A.) after a lengthy trial during which defendant-manufacturer, Wagner and his witnesses testified and undertook to justify his product, and has reversed the order granting preliminary injunction herein.

Point V. The order granting preliminary injunction should have been affirmed by the Court of Appeals for the Second Circuit under the established rule that such an order will not be disturbed unless it is clearly shown that in granting it the District Court improvidently exercised or abused its legal discretion. Supported as it is by the unanimous opinions and judgments of four judges in the Sixth Circuit, the New York District Court would have been guilty of abuse of discretion had it refused the injunction.

A few of the decisions are :

Rahley vs. Columbia Phonograph Co., 122 F. R., 623, 625, 4th C. C. A.

Neff *et al.* vs. Coffield Co., 210 F. R., 166, 167,
4th C. C. A.

Blount vs. Societe Anonyme, etc., 53 F. R., 98,
100, 6th C. C. A.

Magruder *et al.* vs. Belle, etc., 219 F. R., 72, 82,
8th C. C. A.

Duplex Co. vs. Campbell Co., 69 F. R., 250, 252,
6th C. C. A.

Kings Co. vs. U. S. Raisin Co., 182 F. R., 59, 60,
9th C. C. A.

In conclusion, we respectfully urge the grant of writ of
certiorari.

Respectfully,

REEVE LEWIS,

W. B. KERKAM,

RALPH L. SCOTT,

Of Counsel for Petitioner.

Washington, D. C., August 10, 1918.

Office Supreme Court, U.
FILED

OCT 4 1918

NO. 6 187 JAMES D. MAHER,
CLERK

SUPREME COURT OF THE UNITED STATES

MECCANO LIMITED,

Petitioner-Plaintiff,

—vs.—

JOHN WANAMAKER, New York,

Respondent-Defendant.

October Term,

A. D. 1918

Respondent's Brief in Opposition to Petition for Writ of Certiorari

H. A. TOULMIN,

H. A. TOULMIN, Jr.,

Counsel for Respondent.

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SUPREME COURT OF THE UNITED STATES

WANAMAKER LIMITED,

Petitioner-Plaintiff,

—vs.—

JOHN WANAMAKER, New York,

Respondent-Defendant.

October Term,

A. D. 1918

No.

Brief for John Wanamaker, Respondent, in Opposition to Certiorari Petition

Statement of the Case. Neither petitioner's petition nor its brief in support thereof accurately and definitely states the actual phases of this litigation which afford the controlling considerations upon which the petition must be disposed of, to-wit: namely:

(1) The actual **basis** of, and the **issues** raised by, the two bills of complaint petitioner filed, one in the Sixth Circuit and the other in the Second Circuit.

(2) The actual **status** of the suit in the Sixth Circuit as determined by the interlocutory decree of the Court of Appeals for that circuit, when and where the decision and decree of the Court of Appeals for the Second Circuit were rendered.

(3) The actual **legal effect** of the decree of the Sixth Circuit as it—

(a) Affected the rights of the parties thereto;

(b) Affected the freedom of the Court of Ap-

ACTUAL BASIS, ETC., OF SUITS

peals for the Second Circuit in the exercise of its independent judgment.

The petitioner fails to accurately and directly show the status of these determinative phases of the litigation.

Actual Basis, Etc., of the Suits. The mere foot note reference to plaintiff's Hornby patent (page 8, petition) and the inaccurate statement that such patent related only to "three metal plates" give, at once, the wrong impression of both the significance of the patent in the litigation and of the article attempted to be monopolized by virtue of the patent itself in **addition** to the attempted monopoly of the **same** article or general subject-matter under the guise of unfair competition.

The bill of complaint in the Sixth Circuit was predicated upon three charges—alleged unfair competition, alleged copyright infringement, and alleged infringement of this Hornby patent. (No. 1,079,245, page 26 *et seq.* of the record herein.) See the opinion of the Sixth Circuit Court of Appeals, 246 F. 603.

The bill of complaint in the Second Circuit was likewise predicated upon exactly and literally the same charges, that of alleged unfair competition, alleged copyright infringement of the same copyrights, and alleged infringement of this same patent. (Rec. 13-15, Unfair Competition; Rec. 16, Copyright; Rec. 15-16, Patent.)

The article as to which unfair competition was charged was the same article to which the exclusive right was claimed under this patent.

Claims 1 to 8, inclusive, of the patent deal with one feature, namely:

a sheet metal flanged perforated plate.

Claims 9 and 10 deal with **three** general elements "in a working model, toy or the like," namely:

1. Such flanged perforated metallic plate.
2. "Other perforated mechanical elements" (meaning narrow strips of metal having holes).
3. "Means engaging perforations" in the other parts (meaning screws or little bolts to fasten these several parts together).

Our reason for being thus specific as to the patent in the outset is because it was by reason of this patent being sued upon in both bills that the decision of this learned Court in the case of *Singer v. June*, 163 U. S. 169, opinion by Chief Justice White, became the controlling applicable authority, decisive of the rights of the plaintiff. And this situation arose in this wise, that the plaintiff was seeking a **dual** monopoly to this general toy made up of perforated plates, perforated strips and fastening devices, one monopoly in perpetuity on the ground of a proprietary right, alleged to have been unfairly competed with by the manufacture and sale of the toy defendants in both Circuits dealt in; and the other monopoly on the basis of this patent, alleged to have been infringed by such manufacture and sale.

But when the Court of Appeals for the Sixth Circuit (246 Fed. 603) itself found this patent to be wholly null and void, then *Singer v. June* immediately applied as the article thus became free to the public upon this termination of the patent, and plaintiff could not thereafter, with the patent null and void, continue to assert an endless monopoly. It was in this situation that the Ohio defendants, who were the appellants in the Court of Appeals for the Sixth Circuit, petitioned that Court for a rehearing (Rec. 313), asking for instructions as to the effect of its decree declaring such patent void in view of *Singer v. June*, to which the petition called the attention of the Court, urging its application upon the ground that that Court itself having found the patent null

PLAINTIFF CONTENDS SUBJECT-MATTER AND PARTIES
IDENTICAL IN BOTH CIRCUITS. ANSWER

and void, the monopoly was at an end and no proprietary right to support unfair competition could be thereafter erected and maintained. But that Court denied the petition (Rec. 316), and entirely disregarded the application of this Court's decision in *Singer v. June*. Indeed, it ignored all reference to this decision: though it was the **basis** of the rehearing petition.

Such was the situation on January 14, 1918, when this rehearing petition was so denied. (Rec. 316.) With a knowledge of this situation the Court of Appeals for the Second Circuit, on April 15, 1918, (Rec. 335), rendered its opinion, citing and applying the decision of this Court in *Singer v. June*, and holding in effect, that the Hornby patent being void, no monopoly remained in the mechanical structure.

It is from this holding of the Court of Appeals for the Second Circuit that the present petitioner is, in fact, applying to this Court for the writ of certiorari.

It is true, petitioner assigns various other grounds in support of its petition, but this holding of that Court is the real one on which it seeks the grant by this Court of this writ. Summarized, these several grounds are in substance this:

(1) That the Court of Appeals for the Second Circuit ought to have followed the decision of the Court of Appeals for the Sixth Circuit on the alleged ground of identity of subject-matter and identity of parties, actual or in privity.

Before stating the next ground, we shall answer this one, a course we will follow after stating each ground.

Answer. Without detaining this Court to decide whether such identity exists (and we contend that it does not as to **parties**) the all-sufficient answer to petitioner's contention is that the decree in the Sixth Circuit was, and is yet, merely

PLAINTIFF CONTENTS SUBJECT-MATTER AND PARTIES
IDENTICAL IN BOTH CIRCUITS—ANSWER

interlocutory and not final.* Petitioner indulges in many contentions and uses many words to show that the decree in the Sixth Circuit is somehow, if not exactly final, nevertheless sufficient to support the contention of *res adjudicata*. But the fact remains that such decree is **merely and purely interlocutory**, and that it may later be modified by the Court of Appeals for the Sixth Circuit either on the mandamus proceeding just referred to or when the cause returns to that Court of Appeals after the District Court shall have passed upon the Master's report. And such decree may also be modified by that Court of Appeals in the light of what this Court may do with this petition, or do with this cause should it grant this petition. Such decree is purely interlocutory, and counsel for the petitioner have, in effect, confused *res adjudicata* with *stare decisis*.

This decree is interlocutory under the following cases:

Hills v. Hoover, 142 F. 904.

*Note.—This decree is printed at page 317 *et seq.* of this record. On page 321, paragraph 10, the case is referred to a Master to take and state an account. But as this decree, entered by the District Court after the mandate of the Circuit Court of Appeals went down, was deemed to go beyond, and to be inconsistent with, and a violation of, the decree the Court of Appeals had affirmed, the Ohio defendants petitioned the Court of Appeals for a writ of mandamus against the District Court to compel conformity of the District Court decree with the decree the Court of Appeals had directed to be entered, by the elimination from such District decree of the provisions of paragraph 7, Rec. 320, commencing with "is hereby granted"; paragraph 8, Rec. 320-321; and paragraph 15, Rec. 322-323. The Court of Appeals received and acted on said petition, and issued an order on the District Court suspending carrying said decree into effect and requiring the District Court to show cause why the petition should not be granted. The District Judge (Judge Hollister) has filed his response to the cause order and the mandamus petition is on for hearing in the Court of Appeals at its term commencing October, 1918. These are all matters of record in the Court of Appeals for the Sixth Circuit and we refer to them in this foot note merely as explanatory, that nothing may be kept from the knowledge of this Court. Such is the state of the decree (Rec. 17) that the petitioner has advised this Court is now a final decree, or such in effect, an obvious error. The Court of Appeals for the Second Circuit could not, and did not, regard it as a final decree.

PETITIONER CONTENDS SECOND CIRCUIT SHOULD HAVE
FOLLOWED SIXTH—ANSWER

Brush Electric Co. v. Western Electric Co., 76 F. 761, 22 C. C. A. 543.
Ogden City v. Weaver, 108 F. 565, 47 C. C. A. 485.
Australian Knitting Co. v. Gormly (C. C.), 138 F. 92.
Keystone, Etc., Co. v. Martin, 132 U. S. 91, 10 Sup. Ct. 32, 33 L. Ed. 275.
McGourkey v. Toledo & Ohio Railway Co., 146 U. S. 536, 13 Sup. Ct. 170, 36 L. Ed. 1079.
Barnard v. Gibson, 7 How. 650.
Humiston v. Stainthorp, 2 Wall. 106, and cases cited in note.
Estey v. Burdett, 109 U. S. 633, 637.
Hohorst v. Hamburg-American Packet Co., 148 U. S. 262.
Smith v. Vulcan Iron Works, 165 U. S. 518.
California Bank v. Stateler, 171 U. S. 447, 499.
Craighead v. Wilson, 18 How. 199.
Beebe v. Russell, 19 How. 283.
Lodge v. Twell, 135 U. S. 232.
Union Mutual Life Insurance Co. v. Kirchoff, 160 U. S. 374.
Hollander v. Fechheimer, 162 U. S. 326.

(2) The petitioner further contends that the Court of Appeals for the Second Circuit should have followed, blindly, slavishly and obediently, the Court of Appeals for the Sixth Circuit.

Answer. But the answer to this is that the Court of Appeals for the Second Circuit, instead of following that subordinate course, exercised its undoubted right and duty to decide the cause before it according to its conscience and judgment—a duty it owed to itself and owed to defendant, John Wanamaker, who, not having been a party to the

PETITIONER REQUESTS THIS COURT INSTRUCT SECOND
CIRCUIT TO FOLLOW SIXTH—ANSWER

Ohio case, was entitled, and is yet entitled, to his day in Court. His past and future business operations were involved, and his right to hereafter deal in this class of toys, now public property, whether purchased from the Ohio manufacturing defendant or from others, of which there are many, engaged in manufacturing this general class of goods, was at stake. The learned judges in the Second Circuit saw this, and decided the case accordingly.

And in the exercise of its right to reach and express its independent judgment the Court of Appeals for the Second Circuit simply declined to apply the rule of comity. Mast, Foos & Co. v. Stover, 177 U. S. 485. Nor did the Court of Appeals for the Second Circuit follow the opinion of the Circuit Court of Appeals for the Sixth Circuit in the decision of the former in the Rubber Tire litigation involved in Consolidated Rubber Tire Co. v. Diamond, 157 F. 677, and in which this Court later granted a certiorari petition on the ground of the conflict of opinion between the two Courts of Appeals of the two Circuits.

(3) Petitioner also predicates its petition on a request that this Court **instruct** the Court of Appeals for the Second Circuit to follow the decision of the Court of Appeals for the Sixth Circuit. This request assumes that this Court will take for granted that the decision and interlocutory decree of the Court of Appeals for the Sixth Circuit are correct and those of the Court for the Second Circuit are incorrect.

Answer. But as this Court is not bound to hold or consider the decision and decree of the Sixth Circuit sound and correct, as assumed in the proposition of the petition, the prayer is untenable and out of place.

Finally, as we view the situation, the crux of the whole matter involved in the petition is:

CRUX OF MATTER INVOLVED IN PETITION—CONFLICT
OF OPINION

(a) That the Court of Appeals for the Sixth Circuit has rendered a decision and interlocutory decree supporting an exclusive proprietary right under circumstances which put that decision and decree in direct conflict with the law as laid down by this Court in *Singer v. June*.

(b) That the Court of Appeals for the Second Circuit has declined to follow that error, and has to the contrary rendered its own opinion and decision in accordance with, and in obedience to, the controlling operation and effect of *Singer v. June*.

Wherefore, there is an existing conflict of opinion concerning the same subject-matter, and the same rules of law as between the decisions and judgments of these two Courts of Appeals.

We are free to say, in all candor, that in our humble judgment this unfortunate situation does seem to afford ample reason, public and private, why this Court should intervene and authoritatively settle which of these tribunals is right! In anticipation, after the hearing in the Court of Appeals for the Second Circuit, that it would decide as it ultimately did, we had ourselves intended to petition this Court for a writ of certiorari in this Sixth Circuit case, basing our petition on *Singer v. June*, but this conflict of opinion was not announced quite soon enough to enable us to come within the three months provision of the statute. (Act of September 6, 1916, Section 6.) But we moved the Court of Appeals for the Sixth Circuit, in view of the action of the Court of Appeals for the Second Circuit, to order the decree vacated and reinstated as of a later date, in order that we might file such petition in this Court, but the Court denied our motion and cut us off from coming to this Court. And the present petitioner also opposed our motion.

We stand upon *Singer v. June*; we think the

CONFLICT OF OPINION

Court of Appeals for the Second Circuit was right, and we think the Court of Appeals for the Sixth Circuit was wrong; and that was why we petitioned them for a rehearing and cited and urged *Singer v. June*. Under these circumstances we now feel that the obligation of candor in dealing with this Court (and no less so with others) requires us to say, as we do now say, that while the numerous and rambling grounds of the petition are in no wise tenable, still that there is a serious and hurtful conflict of opinion in the judgments of these two high Courts of co-ordinate jurisdiction which ought not to go uncorrected.

In one part of a common country further litigation can be carried on to the interference with legitimate business. In another part it cannot be carried on, by this petitioner. A sense of respect for judicial procedure calls for correction.

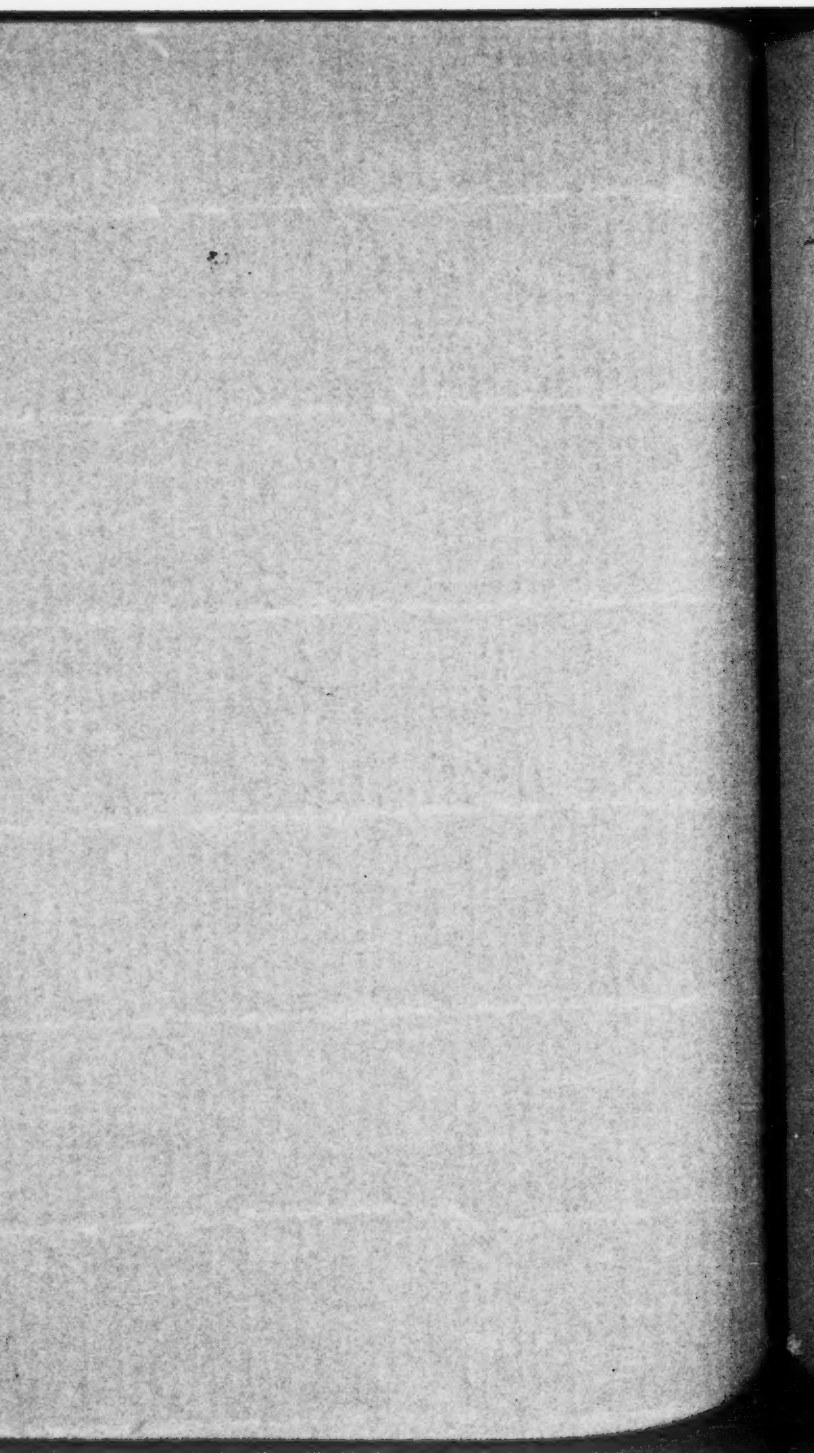
Respectfully submitted,

H. A. TOULMIN,

H. A. TOULMIN, Jr.,

Counsel for John Wanamaker, New York.

Dayton, Ohio,
September 30, 1918.



Office Supreme Court, U. S.
FILED

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JAMES D. MAHER,
CLERK

Supreme Court of the United States,
OCTOBER TERM, A. D. 1918.

No. [REDACTED] 187

MECCANO LIMITED,

Petitioner-Plaintiff,

v.

JOHN WANAMAKER, NEW YORK,

Respondent-Defendant.

On Certiorari to
the United States
Circuit Court of
Appeals for the
Second Circuit.

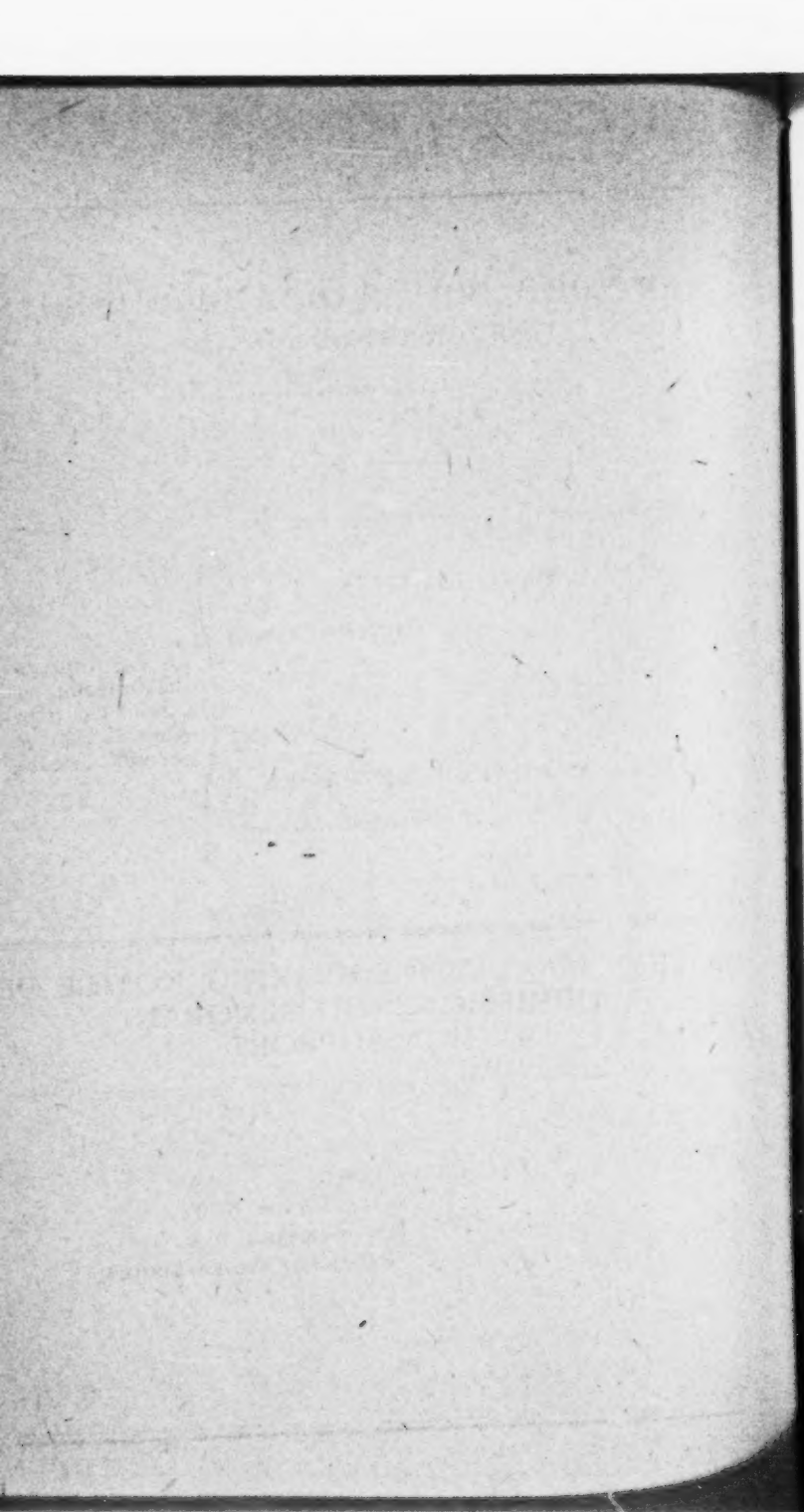
MOTION TO ADVANCE HEARING, NOTICE OF
SUBMISSION, AND MEMORAN-
DUM IN SUPPORT.

REEVE LEWIS,

700 Tenth Street, N. W.,

Washington, D. C.,

Of Counsel for MECCANO LIMITED.



Supreme Court of the United States,

OCTOBER TERM, A. D., 1918.

No. 614.

MECCANO LIMITED,
Petitioner-Plaintiff,

v.

JOHN WANAMAKER, NEW YORK,
Respondent-Defendant.

On Certiorari
to the United
States Circuit
Court of
Appeals for
the Second
Circuit.

Notice of Submission of Motion to Advance.

J. CHESTER JOHNSON, Esq.,
PLINY W. WILLIAMSON, Esq.,
New York City, New York,
Solicitors for Respondent-Defendant:

Sirs:—

Please take notice that on Monday, May 26, 1919, at 12 o'clock noon, or so soon thereafter as counsel may be heard, the following Motion to Advance will be submitted to the Supreme Court of the United States at its usual place of holding sessions in the Capitol Building, at Washington, D. C.

REEVE LEWIS,
Of Counsel for Petitioner-Plaintiff.

Service of a copy of the foregoing Notice, and of the Petition and Brief following, is acknowledged this 3rd day of May, 1919. *12-50 P.M.*

(Sgd.) Philip W. Williamson
Solicitor for Respondent-Defendant.

Motion.

Now comes the Petitioner, Meccano Limited, a British Corporation, by its counsel, and respectfully moves this Honorable Court to advance the hearing of this cause to the earliest date available during the October, 1919, Term of this Court.

Memorandum of Reasons for Advancement.

This is the first of two suits instituted in the same Court (District Court, Southern District of New York) by Meccano Limited against John Wanamaker, New York, a New York corporation, in both of which suits said Wanamaker is charged with unfair competition by its dealings in certain toy products charged unlawfully to imitate your petitioner's product known as "Meccano".

In these certiorari proceedings (as stated in the brief in this Court in support of the Petition):

"Petitioner seeks a review by this Honorable Court in respect to the failure of the Court of Appeals for the Second Circuit to give proper effect, in this suit, to the judgment of the Court of Appeals for the Sixth Circuit in the earlier Ohio suit." (P. 21 of Brief.)

"The failure of the Court of Appeals [Second Circuit] to give full force and effect

herein to the prior judgment in the Ohio suit *turns upon the sameness of issues in the two suits.*" (Brief, p. 31.)

In other words, the question above all others presented for decision by this Court, and upon which depends the force and effect to be given to said judgment of the Court of Appeals for the Sixth Circuit (in said Ohio suit, *Meccano Limited vs. Francis A. Wagner et al*) is whether or not the issues in the two suits are co-extensive.

The Court of Appeals for the Second Circuit has decided in this cause (250 Fed. 250) that the issues are not co-extensive but extend to Wanamaker's right to deal in toys other than those involved in said Ohio litigation,—which concerned only the "American Model Builder" manufactured by said Wagner. In other words, said Court of Appeals held, in effect, that this first Wanamaker suit involves Wanamaker's right to deal not only in said "American Model Builder" product, but also in a so-called "Structo" product.

The Bill of Complaint in the aforesaid Second Wanamaker suit is restricted solely to Wanamaker's dealings in said Structo product, said to be manufactured by the Structo Mfg. Co. of Freeport, Illinois.

Upon the basis of the aforesaid holding of the Court of Appeals for the Second Circuit, that the First Wanamaker Suit also embraces the issue of the Second Wanamaker Suit, to wit: Wanamaker's dealing in said Structo product, Meccano Limited has sought to stay the trial of the Second Suit to await this Court's decision as to the scope of the issue in the First Wanamaker Suit.

Furthermore, Meccano Limited, Petitioner-Appellant in the present cause, has petitioned this

Court (Petition filed May 1st, 1919) to issue Writ of Mandamus or Writ of Prohibition, directing the Court of Appeals for the Second Circuit and the District Court for the Southern District of New York, to stay the trial of said Second Wanamaker Suit. And Petitioner-Appellant is, furthermore, petitioning this Court in said Second Wanamaker Suit to grant its Writ of Certiorari therein to the Court of Appeals for the Second Circuit and to the District Court of the United States for the Southern District of New York, to review the orders of said Courts refusing to stay trial of and all other proceedings in said Second Wanamaker Suit. Said Petition was served on counsel for Wanamaker on April 28, 1919, and noticed for presentation to this Court on Monday, May 12, 1919.

As thus appears, the decision of this Court in this cause will be determinative of the proper relationship of the two suits, of the proper procedure to be followed in the Second Wanamaker Suit, of the necessity of trials of both suits, and of whether or not the scope of the issue in this First suit embraces the subject-matter of the Second suit, and therefore bars the latter.

Respectfully submitted,

MECCANO LIMITED,

By REEVE LEWIS,

Of Counsel.

United States Supreme Court

October Term, 1918

No. 614

Meccano, Limited,

Petitioner-Plaintiff,

—vs.—

John Wanamaker, New York,

Respondent-Defendant.

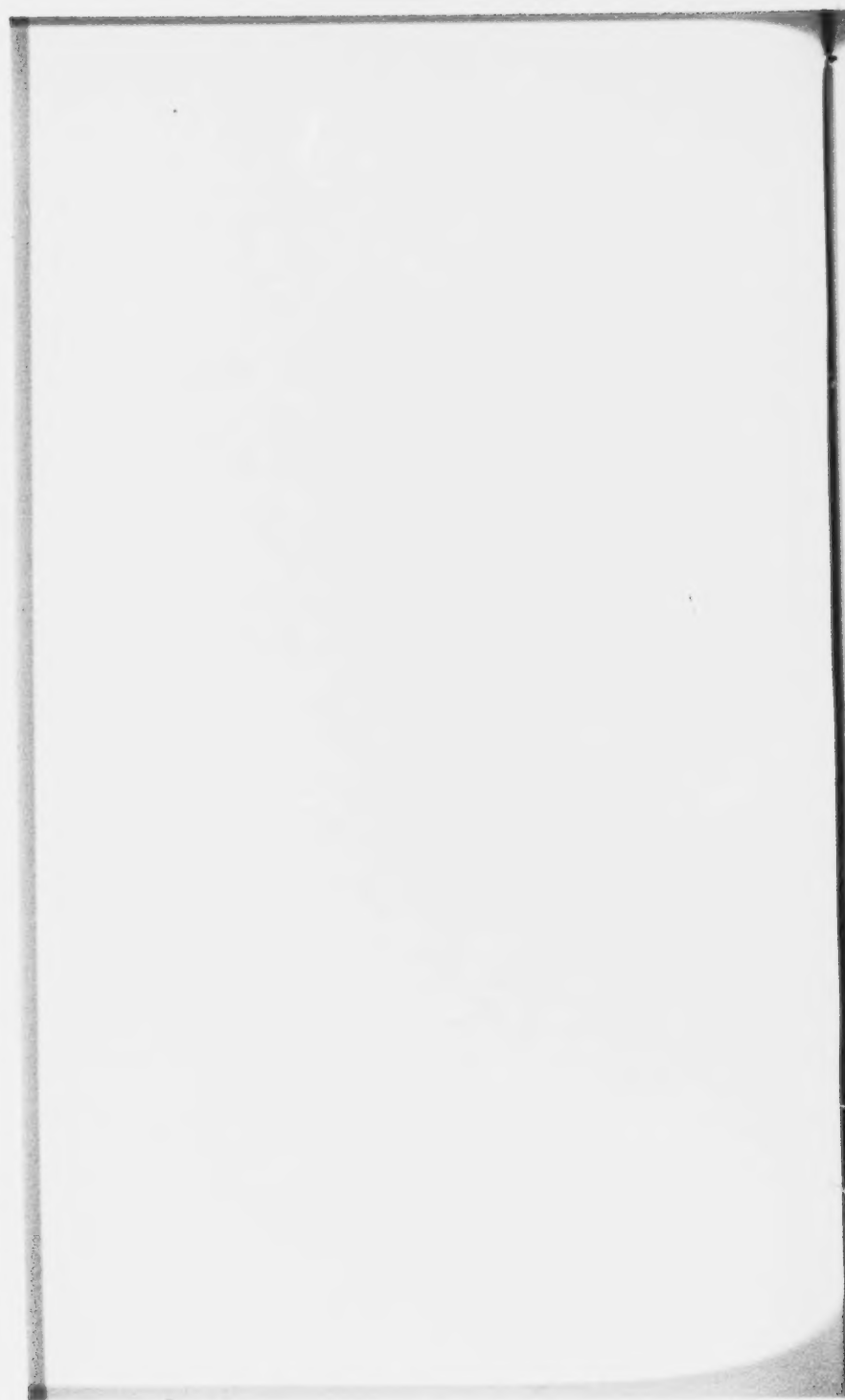
On Certiorari to the
United States Circuit
Court of Appeals for
the Second Circuit.

BRIEF FOR RESPONDENT ON PETITIONER'S MOTION TO ADVANCE

We have been served with a copy of petitioner's motion and brief to advance the hearing of this case. While not deeming it necessary to discuss any statement of alleged fact or proposition of law suggested by plaintiff, our position as to this motion is as follows:

(1) That we have no objection to having this case advanced for hearing to a date near the end of October or early in November, 1919, or as soon thereafter as the Court may fix.

(2) But that we submit plaintiff ought to be required by this Court to **suspend** all proceedings in plaintiff's suit against F. A. Wagner, *et al.*, now pending before a Master to take an account under an interlocutory decree lately granted by the District Court for the Southern District of Ohio, Western Division, pursuant to an affirmance by the Court of Appeals for



the Sixth Circuit—being the suit in relation to which we lately filed our Mandamus Petition in this Court.

(3) The same toys or articles are involved in both of these suits—this suit in New York and the suit in Ohio—and the same broad question of the right of a plaintiff to maintain an action for unfair competition on the ground of alleged simulation of articles of trade where the patent that formerly covered such articles has been declared null and void, is also involved in both cases. Hence we submit that this motion to advance is not inappropriate, but that this Ohio case ought to be **suspended**, and that plaintiff be ordered by this Court to do so, pending the decision of this Court in plaintiff's case which is to be advanced under this motion.

(4) Also that plaintiff should be required to print the record herein and file its brief on or before August 1, 1919.

Wherefore we show the Court:

(a) That we concur in this motion to advance;

(b) That in this connection we ask that plaintiff be required by order of this Court to suspend the further prosecution of the Ohio case pending this Court's decision on the merits of this case;

(c) Or, in the alternative, that this Court require the Federal Courts in Ohio to suspend proceedings in the Ohio case, as we prayed in our Rehearing Petition, filed a few days ago in connection with our late Mandamus Petition—In *Re Exparte Simons*, 247 U. S. 231.

Respectfully submitted,

H. A. TOULMIN,

H. A. TOULMIN, Jr.,

Counsel for Respondent-Defendant.

H. A. TOULMIN,

Of Counsel.

May, 1919.



IN THE
SUPREME COURT OF THE UNITED STATES.
OCTOBER TERM, 1919.

No. 187.

MECCANO LIMITED, PETITIONER-PLAINTIFF,
vs.

JOHN WANAMAKER, NEW YORK,
RESPONDENT-DEFENDANT.

**PETITIONER-PLAINTIFF'S MOTION FOR PERMISSION
TO SUBMIT AND FILE A DISCLAIMER.**

IN THE SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1919.

No. 187.

MECCANO LIMITED, *Petitioner,*
vs.

JOHN WANAMAKER, NEW YORK, *Respondent.*

**Notice of Petitioner-Plaintiff's Motion for re Submission of
Disclaimer.**

To H. A. TOULMIN, ESQ.,
H. A. TOULMIN, JR., ESQ.,
Counsel for Respondent,
Schwind Building, Dayton, Ohio.

GENTLEMEN:

Please take notice that, at the hearing of this cause before
the United States Supreme Court, we shall move for permis-

sion to submit the accompanying disclaimer for consideration by said Court and for such disposition as to filing and entry thereof in the Supreme Court or in the courts below as said Supreme Court may deem proper.

Copies of this notice and of the accompanying disclaimer are being served upon you by registered mail of this day.

Respectfully,

REEVE LEWIS,
Of Counsel for Petitioner.

Washington, D. C., December 23, 1919.

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE SOUTHERN DISTRICT OF NEW YORK.

In Equity. No. 14/43.

MECCANO LIMITED, *Plaintiff*,

vs.

JOHN WANAMAKER, NEW YORK, *Defendant*.

Disclaimer.

And now comes the above-named plaintiff, Meccano Limited, and hereby disclaims and remits and renounces and forever quit-claims in favor of John Wanamaker, New York, the above-named defendant, any and all remedy and relief and recovery of whatsoever nature which may or might be granted to said plaintiff under its bill of complaint herein, *except* in so far as the same relates to said defendant's handling or dealing in or selling or offering for sale the structural-toy product known as "American Model Builder" and the printed manuals and instruction books relating to the same, procured by said defendant from (originally) Francis A. Wagner (trading as "The American Mechanical Toy Co."), or from (subsequently) The American Mechanical Toy Co., an Ohio corporation, and in so far as the same constitutes unlawful competition with plaintiff's "Meccano" product and manuals, and in so far as the same constitutes infringement of plaintiff's registered copyrights No. 291,375, dated June 22, 1911, and No. 294,670, dated August 14, 1911.

In witness whereof said Meccano Limited, the above-named plaintiff, has caused this instrument to be executed this 23rd day of December, 1919, by its duly authorized attorney-in-fact.

MECCANO LIMITED,
By REEVE LEWIS,
Attorney-in-fact.

DISTRICT OF COLUMBIA, ss:

On the 23rd day of December, 1919, before me, a Notary Public, personally appeared Reeve Lewis, to me well known, and being by me first duly sworn, did say that he is of lawful age, a resident of Washington, D. C., and a member of the law firm of Mauro, Cameron, Lewis & Kerkam, of Washington, D. C.; that he has been duly appointed and authorized and has full power, as attorney-in-fact for Meccano Limited, the plaintiff in the above-entitled suit, to execute, in behalf of said Meccano Limited, the foregoing "Disclaimer," and that he has executed said disclaimer on behalf of and as the act of said Meccano Limited, as and for the purposes therein set forth.

[SEAL.]

J. E. NELL,
Notary Public.

IN THE SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1919.

No. 187.

MECCANO LIMITED, *Petitioner,**vs.*JOHN WANAMAKER, NEW YORK, *Respondent.***Supplemental Notice Regarding Petitioner-Plaintiff's Motion
re Submission of Disclaimer.**

To H. A. TOULMIN, ESQ.,

H. A. TOULMIN, JR., ESQ.,

*Counsel for Respondent,**Schwind Building, Dayton, Ohio.*

GENTLEMEN:

Since serving upon you, by registered mail of December 23, 1919, copy of a Disclaimer executed in the name of "Meccano Limited, by Reeve Lewis, Attorney-in-Fact," we have received from abroad the hereto attached Disclaimer in the same terms, executed by Meccano Limited itself with its seal affixed thereto. Please take notice that we will request the Supreme Court to use this disclaimer executed by Meccano Limited itself, in place of the disclaimer executed in the name of Meccano Limited by its attorney-in-fact.

We have obtained the attached disclaimer, executed by Meccano Limited itself, to avoid any question as to the sufficiency of the disclaimer executed by the attorney-in-fact.

Respectfully,

(Signed)

REEVE LEWIS,

Of Counsel for Petitioner.

Washington, D. C., Dec. 30, 1919.

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE SOUTHERN DISTRICT OF NEW YORK.

In Equity. No. 14/43.

MECCANO LIMITED, *Plaintiff,*

vs.

JOHN WANAMAKER, NEW YORK, *Defendant.*

Disclaimer.

And now comes the above-named plaintiff, Meccano Limited, and hereby disclaims and remits and renounces and forever quit-claims in favor of John Wanamaker, New York, the above-named defendant, any and all remedy and relief and recovery of whatsoever nature which may or might be granted to said plaintiff under its Bill of Complaint herein, *except* in so far as the same relates to said defendant's handling or dealing in or selling or offering for sale the structural-toy product known as "American Model Builder" and the printed manuals and instruction books relating to the same, procured by said defendant from (originally) Francis A. Wagner (trading as "The American Mechanical Toy Co."), or from (subsequently) The American Mechanical Toy Co., an Ohio corporation, and in so far as the same constitutes unlawful competition with plaintiff's "Meccano" product and manuals, and in so far as the same constitutes infringement of plaintiff's registered copyrights No. 291,375, dated June 22, 1911, and No. 294,670, dated August 14, 1911.

In witness whereof said Meccano Limited, the above-named plaintiff, has caused this instrument to be executed this 16th day of December, 1919.

[Seal of Meccano Limited.]

MECCANO LIMITED,
By F. HORNBY,
Managing Director.

U. S. CONSULAR OFFICE,
City of Liverpool, England, ss:

On the 16th day of December, 1919, before me personally appeared the above-named Frank Hornby, Managing Director of Meccano Limited, a British corporation, and he being by me first duly sworn did say that he resides in Liverpool, England, that he is Managing-Director of said Meccano Limited, plaintiff in the above-entitled suit, and that, by virtue of said office, he is empowered and has full authority to execute the foregoing Disclaimer, and that the same has been executed by him in behalf of and as the act of said Meccano Limited, as and for the purposes therein set forth, and that the seal affixed thereto is the seal of said Meccano Limited.

[Seal of U. S. Consulate, Liverpool.]

HUGH H. WATSON,
U. S. Vice Consul.

IN THE SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1919.

No. 187.

MECCANO LIMITED, *Petitioner,**vs.*JOHN WANAMAKER, NEW YORK, *Respondent.***Affidavit of Service.**DISTRICT OF COLUMBIA, *ss.:*

I, B. Wegenast, being duly sworn, says:

I am a resident of Washington, D. C., and of lawful age.

On the 23rd day of December, 1919, I deposited in the registered mail at Washington, D. C., an envelope addressed to "H. A. Toulmin, Esq., H. A. Toulmin, Jr., Esq., Schwind Building, Dayton, Ohio," the same containing copies of the hereto attached originals of "Notice of Petitioner-Plaintiff's Motion re Submission of Disclaimer" and of the "Disclaimer" referred to in said notice, executed by "Meccano Limited, By Reeve Lewis, Attorney-in-fact." I obtained registered mail receipt hereto attached.

On the 30th day of December, 1919, I deposited in the registered mail at Washington, D. C., an envelope addressed to "H. A. Toulmin, Esq., H. A. Toulmin, Jr., Esq., Schwind Building, Dayton, Ohio," the same containing copies of the hereto attached originals of "Supplemental Notice Regarding Petitioner-Plaintiff's Motion re Submission of Disclaimer" and of "Disclaimer" referred to in said notice, executed by "Meccano Limited, By F. Hornby, Managing-Director." I obtained registered mail receipt hereto attached.

I. B. WEGENAST.

Sworn to and subscribed before me this 31st day of December, 1919.

[SEAL.]

J. E. NELL,
Notary Public, D. C.



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COURT DECISIONS IN THE TWO SUITS HERE INVOLVED.

IN THE OHIO SUIT.

Meccano Limited ex. Francis A. Wagner (trading as *The American Mechanical Toy Company*) and *The Strobel & Wilken Company*.

(1) District Court, S. D. of Ohio, W. D.—Judge Howard C. Hollister; decision June 12, 1916 (234 Fed., 912), sustaining charges of unfair competition and infringement of two registered copyrights, Nos. 291,375 and 294,670, against the "American Model Builder" toy product manufactured by said Wagner (R., 64).

(2) C. C. A., 6th Circuit.—Judges Warrington, Knappen, and Denison; decision October 11, 1916 (235 Fed., 890), authorizing the district court "to receive and consider the application [for introduction of newly discovered evidence] from the same point of view as if it had been made before the appeal was perfected."

(3) District Court, S. D. of Ohio, W. D.—Judge Howard C. Hollister; decision November 11, 1916, holding "that the subject-matter of the so-called newly discovered evidence is not of such nature as to warrant the court in changing the views heretofore expressed in this case." (For reference to this decision see Transcript of Record, bottom of page 136, top of page 137.)

(4) C. C. A., 6th Circuit.—Judges Warrington, Knappen, and Denison; decision February 6, 1917 (239 Fed., 901), denying defendant's motion to enjoin prosecution of this Wanamaker New York suit and to hold plaintiff in contempt.

(5) C. C. A., 6th Circuit.—Judges Warrington, Knappen, and Sanford; unanimous decision written by Judge Warrington, dated November 16, 1917 (246 Fed., 603), affirming district court in sustaining charges of unfair competition and copyright infringement against the "American Model Builder" product (R., 131).

(6) C. C. A., 6th Circuit. Order of January 14, 1918, denying defendant's first petition for rehearing and again approving the conclusions of the district court upon the issues of unfair competition and copyright infringement (R., 139).

(7) C. C. A., 6th Circuit. Order of May 15, 1918, denying defendant's second petition for rehearing and again affirming the conclusions of the district court upon the issues of unfair competition and copyright infringement. (Certified copy filed with the papers in this Wanamaker suit.)

IN THIS WANAMAKER NEW YORK SUIT.

Meccano Limited *vs.* John Wanamaker, New York.

(1) District Court, S. D. N. Y.—Judge A. N. Hand; decision January 9, 1917, granting preliminary injunction on the same charges of unfair competition and copyright infringement, and against Wanamaker's dealings in the same "American Model Builder" product as involved in the Ohio suit (R., 115).

(2) C. C. A., 2d Circuit.—Judges Rogers, Learned Hand, and Mayer; decision written by Judge Learned Hand, March 24, 1918 (250 Fed., 250), denying plaintiff's motion invoking the decree in the Ohio suit as *res adjudicata* in this Wanamaker suit (R., 145).

(3) C. C. A., 2d Circuit.—Judges Ward, Rogers, and Learned Hand; decision by Judge Ward, April 15, 1918 (250 Fed., 450), reversing the order of the district court granting preliminary injunction (R., 149). *Dissenting opinion* by Judge Learned Hand, 250 Fed., 453 (R., 151).

(4) C. C. A., 2d Circuit. Order of May 23, 1918, denying plaintiff's petition for rehearing with respect to both the above-named decisions of the C. C. A., 2d Circuit (R., 178).

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* 9. Final decree in Wanamaker-Structo-Suit. (Printed as <i>Appendix D</i> to this brief, see p. 122.).....	61
10. Motion to amend and proposed amendment to bill of complaint in this Wanamaker, New York, suit.....	66
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NOTE.—(a) at page 67, this brief refers to petitioner-plaintiff's motion for permission to submit and file a disclaimer in this Wanamaker suit.

(b) at page 58, this brief also refers to the bill of complaint in the Wanamaker-Structo-Suit, appearing in the transcript of record in this court, in No. 1054, October term, 1918.

*These papers are printed in the Appendices to this brief.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1919.

No. 187.

MECCANO LIMITED, PETITIONER-PLAINTIFF,

vs.

**JOHN WANAMAKER, NEW YORK,
RESPONDENT-DEFENDANT.**

BRIEF FOR PETITIONER-PLAINTIFF.

Part 1—Statement of Case.

This cause is here upon writ of certiorari to the Court of Appeals for the Second Circuit. It is an equity suit originating in the Southern District of New York, in which the causes of action are unfair competition and copyright infringement.

Petitioner-plaintiff, Meccano Limited, a British corporation, is the owner of all rights in and to a toy-building product known as "Meccano," and is also the owner of registered copyrights No. 291,375, dated June 22, 1911, and No. 294,670, dated August 14, 1911, on books or manuals of instruction forming part of said Meccano product.

Respondent-defendant, John Wanamaker, New York, a New York corporation, has offered for sale and sold a toy-building product (including books or manuals of instruc-

tion) known as "The American Model Builder," manufactured or produced by Francis A. Wagner (trading as The American Mechanical Toy Co.), of Dayton, Ohio. In an earlier suit in Ohio (Sixth Circuit) against said manufacturer and one of his customers, The Strobel & Wilken Co. (who bought the product from Wagner and sold to retailers), said "American Model Builder" product *per se*, including the books or manuals of instruction, has been adjudged to be in unfair competition with petitioner-plaintiff's aforesaid Meccano product, and said books or manuals of instruction adjudged to be infringements of petitioner-plaintiff's aforesaid registered copyrights.

It is herein charged that the dealings of Wanamaker (another customer who buys from Wagner and sells at retail) in the *same* American Model Builder product (including books or manuals of instruction) constitute unfair competition and infringement of said registered copyrights.

After a decision and decree by the Ohio District Court (W. D. S. D. of Ohio, Judge Hollister), in said Ohio suit, sustaining the charges of unfair competition and copyright infringement, and while that suit was still pending on appeal to the Court of Appeals for the Sixth Circuit, petitioner-plaintiff filed this New York suit against the customer Wanamaker, for its dealings in and sale of the *same product* as was involved in said Ohio suit. Under an obligation or "assurances to hold defendant [respondent Wanamaker] harmless for any loss or liability by reason of the purchase and sale of toys manufactured by The American Mechanical Toy Company" (the *alter ego* of Wagner), said manufacturer-defendant in the Ohio suit assumed the defense of this Wanamaker suit, thereby becoming the *real defendant* and leaving Wanamaker only the nominal defendant and "only formally represented" (R., top 146). Motion for preliminary injunction herein was granted by the district court of New York (R., 115) and an appeal taken and argued before the Court of Appeals, Second Circuit. Thereafter, while said appeal herein was awaiting decision, the Court of Ap

peals, Sixth Circuit, affirmed the Ohio District Court upon the issues of unfair competition and copyright infringement and denied petition for rehearing in the Wagner Ohio suit. Plaintiff-petitioner thereupon promptly moved (following and citing the practice approved by this Court in *Hart Steel Co. et al. vs. Ry. Supply Co.*, 37 S. C. R., 506; 244 U. S., 294)* before the Court of Appeals, Second Circuit, for a decision on the merits, contending that the judgment in the Wagner Ohio suit is "final and conclusive as to the case at bar," etc., it appearing from the preliminary injunction appeal record herein, that, as before stated, the defendant Wagner (The American Mechanical Toy Co.) of the Ohio suit is defending Wanamaker in this suit on the same causes of action, same product, and same issues as were involved in the Ohio suit. As stated in this Court's recent decision (cited in footnote**):

"This motion for a judgment [decision] on the merits was bottomed on the claim that the two cases involved the same issues, that Wagner had assumed

*In the *Hart Case*, *supra*, while an appeal was pending in the Court of Appeals for the Seventh Circuit, from a decree of the District Court dismissing the bill charging patent infringement, a final decree or order (page 1386 of Hart Case record in this Court) was entered by the Court of Appeals for the Sixth Circuit in another suit upon the same patent, subject-matter and issues, and in which there was identity or privity of parties. The Sixth Circuit decree was promptly invoked (by motion, just as in the case at bar) before the Court of Appeals for the Seventh Circuit as conclusive and *res adjudicata* in the case there pending.

This (Supreme) Court found that the "ruling effect" of said decree had, by such motion, been "presented in an appropriate manner to the Court of Appeals for the Seventh Circuit"; that the "latter Court fell into error in not sustaining the motion"; and that the moving party, the defendant (the plaintiff Meccano Limited, in the case at bar), "should not have been put to further expense, delay and trouble after the motion was presented."

**This Court has already considered the general situation in the two suits in rendering its decision of April 14, 1919 (39 S. C. R. 375), in No. 29 Original, October Term, 1918, *Ex parte in the Matter of F. A. Wagner (trading as The American Mechanical Toy Co.) et al., Petitioners*, by which decision this Court dismissed said petition of said manufacturer (Wagner) for writ of mandamus to stay the accounting in the Ohio suit to await this Court's decision herein. Petition for rehearing was denied May 19, 1919. We will designate that matter as the "Wagner Mandamus Proceeding."

the defense in the New York case and that the decree rendered by the Circuit Court of Appeals for the Sixth Circuit constituted an estoppel by judgment when pleaded in the case in the Second Circuit."

The Court of Appeals, Second Circuit, denied (R., 145) petitioner-plaintiff's said motion for decision on the merits, and thereafter (R., 149) reversed (with a dissenting opinion by Judge Learned Hand, R., 151) the preliminary injunction order. Plaintiff then petitioned for writ of certiorari for the enforcement in this suit (defended by the Ohio defendant Wagner) of the judgment in the Ohio suit. This Court granted and issued its writ.

The broad question is the ruling effect to be given in this suit against the customer Wanamaker (which we shall designate as this Wanamaker New York suit) to the decree in said earlier suit in the Sixth Circuit against said manufacturer, Francis A. Wagner, trading as The American Mechanical Toy Co. *et al.* (which we shall designate as the Ohio suit), said Wagner having, as aforesaid, supplied the customer Wanamaker with the products complained of in this suit, and which same products have been adjudged unlawful in said Ohio suit against the manufacturer. More specifically, the questions submitted are set forth on pages 18 and 19 of the petition for certiorari herein. In its aforesaid decision in the Wagner mandamus proceeding, the same questions "brought before this Court for review to determine" are stated by this Court itself, as follows:

"(1) The legal effect to be given to a prior decree in the Sixth Circuit against the manufacturer, as against a customer [in this suit] in the Second Circuit;

"(2) Whether the preliminary injunction could be legally denied by the Circuit Court of Appeals for the Second Circuit [in this suit] after the prior adjudication of the same issues by the Circuit Court of Appeals for the Sixth Circuit;

"(3) Whether or not the prior decree of the Circuit Court of Appeals for the Sixth Circuit entitled

the petitioner to a decision in its favor on the 'motion for a decision on the merits' filed in the later case [this case] in the Second Circuit;

"(4) Whether or not an unsuccessful defendant in a suit [the Ohio suit] in one Circuit, in which his product has been adjudged unlawful, is to be permitted to relitigate the same issues with respect to the same product by assuming the defense of a subsequent suit [this suit] in another Circuit against one of his customers."

These are questions of law, the related facts as to identity or privity of parties and sameness of causes of action and of issues in the two suits being admitted and otherwise established.

Obviously, determination of the aforesaid questions rests upon the ruling effect to be given the judgment in the Ohio suit (the correctness of which is not here open to dispute), and does not call upon this Court to make comparisons of the two products, and in view thereof, or for other reason, to decide for itself whether the courts of the Sixth Circuit were right or wrong in deciding (upon the evidence before them, but not here) that the American Model Builder product constitutes unfair competition and copyright infringement with respect to petitioner's Meccano product.* As stated in the brief in support of certiorari petition herein,—

*It is the theory of the Ohio defendant Wagner and his attorneys, who are here defending Wanamaker, that this Court's review of this case will assume such scope (away beyond the questions submitted for determination) as to embrace comparisons of the products and consideration of attacks upon the correctness of the Ohio judgment, and particularly an attack predicated upon certain manifestly erroneous theories based upon invalidity of the Hornby patent—long since withdrawn from this suit—and this Court's decision in *Singer ex. June*. While such matters are entirely foreign to the questions presented for this Court's determination, we have briefly discussed respondent's said contentions in the Addendum to this brief under the headings "Respondent-Defendant's Erroneous Theory as to the Scope of This Court's Review Herein," and "Respondent-Defendant's Contention, *re* Invalidity of Hornby Patent on Plates and This Court's Decision in *Singer ex. June*, is Untenable."

"This court is *not asked to review* by certiorari the decision of the Court of Appeals for the Second Circuit in so far as it assumes to decide *whether or not the American Model Builder product, as compared with petitioner's Meccano product, is unlawful on the ground of unfair competition and copyright infringement* * * * it is petitioner's contention that * * * such question was not open to decision by the Court of Appeals for the Second Circuit; and it is now sought to have this court so rule" (p. 21 of petition).

A comprehensive appreciation of the extent of counterfeiting of plaintiff's product and system throughout can only be attained by comparison of the physical things themselves, including the many individual parts, the grouping thereof in outfits, the outfits constituting the entire system (of many) main and supplementary outfits, the manuals of instruction, etc., etc. Such comparison could not be made upon the basis of the few exhibits of both products introduced on the motion for preliminary injunction herein. But, as before stated, it is unnecessary to burden this Court with detailed examination and consideration of the characteristics and identities (throughout) of the two products.*

*General familiarity with the two products may be attained by reference to the yellow pages bound in the record between numbered pages 172 and 173, and wherein (1) yellow page R lists the individual structural parts of both products; (2) yellow pages S to W comparatively illustrate said individual parts, showing defendant's counterfeiting of practically all of the many parts of plaintiff's prior product; (3) Yellow pages X and O reproduce tabulations of "contents of outfits" of the two products, showing which and how many of the individual parts are placed in the graduated sized outfits, and how defendant adapted plaintiff's allotment of parts to outfits; (4) yellow pages P and Q give examples of the identity of outfits; (5) yellow pages 1 to 5, following main page 172 of the Record, present a "Comparative Table" intended as a guide in comparing the contents of manuals; (6) yellow pages A to L, inclusive, reproduce corresponding illustrations, etc., from the manuals, for example, page A reproduces plaintiff's "Fig. No. 64" and page B defendant's corresponding "Fig. No. 48" both of a "Suspension Bridge." (Continued next page.)

Part 2—Errors Relied Upon.

The errors relied upon, as stated in the petition for writ of certiorari, are as follows:

"Your petitioner complains of the error in the majority opinion (Judges Ward and Rogers, R., 149) and order (R., 178) of the Court of Appeals for the Second Circuit in reversing (with a *dissenting opinion* by Judge Learned Hand, R., 151) the opinion and order (R., 115, 116) of the District Court for the Southern District of New York (Judge Augustus N. Hand) which granted preliminary injunction herein upon charges of unfair competition and copyright infringement;—

"Complains of the error of said Court of Appeals in thus, by its reversal of the preliminary injunction order herein, failing to respect and enforce, and in effect nullifying, the prior unanimous opinions and

(Continued from preceding page.)

Note the toy engine and rails on the bridge in each illustration; and compare the concluding sentence—

"The engine and rails shown in the illustration are not included in the outfit, and are merely shown for purposes of illustration."

on page A of plaintiff's illustration, with the concluding sentence—

"The engine and the track in this cut are simply for an illustration and are not included in the regular outfit."

at the foot of page B of defendant's illustration.

The Ohio District Court made particular mention of these figures, saying (emphasis ours):

"When figure 48 of the American Model Builder of 1912 (Plaintiff's Exhibit 10) is compared with figure 64, Meccano Manual of 1911 (Plaintiff's Exhibit 38), *the conclusion cannot be escaped that one was copied from the other*" (235 F. R., p. 923).

Yellow page C shows plaintiff's "Fig. No. 65" and page D defendant's corresponding "Fig. No. 45," both figures entitled "Warehouse with Elevator." Note, amongst other things, that in each the car is at the same elevation; that the photographs are taken at the same angle; and that in both an enlarged fragmentary view shows details not clear from the main view. Yellow sheets E to M show other (and there are still many more) corresponding illustrations readily comparable without explanation.

judgments of the District Court for the Southern District of Ohio, Western Division (Judge Howard C. Hollister), and of the Court of Appeals for the Sixth Circuit (Circuit Judges Warrington and Knappen and District Judge Sanford), all favorable to Petitioner-Plaintiff; in a prior suit between the same parties or their privies (the prior defendant having assumed the defense of the present suit), on the same product, and on the same causes of action and issues of unfair competition and copyright infringement, and in which prior suit the defenses and evidence were the same as pleaded by Respondent-Defendant in this suit:—

"Complains of the error of said Court of Appeals in failing and refusing to enter herein, or have entered, a judgment on the merits in favor of Petitioner-Plaintiff, to which judgment your said Petitioner is entitled in view of the conclusiveness and finality, with respect to this cause, of said judgment of the Court of Appeals for the Sixth Circuit in said prior suit:—and

"Further complains of the error of said Court of Appeals in awarding costs in its court to the Respondent-Defendant (R., 178)."

Part 3—Outline of Argument.

Respondent disputes the conclusiveness of the Ohio decree because (after finally adjudicating the rights of the parties) it provides for an accounting. The decision of the Court of Appeals of the Second Circuit herein says, "we may assume that in so far as concerns the matters before the Circuit Court of Appeals [Sixth Circuit], *the issues have been finally and conclusively determined.*" Assumption is not necessary. The *fact is*, as will be readily established, that *the Ohio decree is a final and conclusive* adjudication for the purposes for which it is here invoked, and its effectiveness cannot be defeated by calling it "interlocutory," or because "in a strict technical sense" it is interlocutory in directing an accounting.

As to identity or privity of parties—Meccano Limited is plaintiff in both suits. Respondent disputes privity of parties defendant. But little argument will be required in confirmation of the correctness of the finding of the Court of Appeals that privity of defendants is established and admitted.

As to the issues in the two suits, the Court of Appeals ruled that they are not "coextensive" with reference to the product charged to be unlawful. Upon that ruling said court refused *any* relief upon the basis of the Ohio decree. Both parties have consistently maintained, and the Court of Appeals concurs, that both suits concern the *same* American Model Builder product. That fact is sufficient to entitle petitioner-plaintiff to prompt enforcement of the conclusiveness of the Ohio decree as to *that* product, regardless of what other product may be involved in this suit. The Court of Appeals is of the opinion that the issue here also involves Wanamaker's dealings in other products. But as to this, also, both parties have consistently maintained, and petitioner still contends, that the issues in the two suits are the same, that is, that no other product is here involved.

Petitioner further contends that if the issue in this cause ever extended to any other toy products, said issue was, at the time of the decisions of the Court of Appeals herein, and is now, restricted to the American Model Builder product alone.

Therefore, not only is the Ohio decree conclusive, or *res adjudicata*, as to the American Model Builder product, but it is so as to the entire issue, because no other product is here involved.

Other points and contentions by respondent, mostly collateral to the main points above, will be dealt with in the argument, discussion of some of said points being reserved to the Addendum following the main parts of this brief.

Part 4—Proceedings in Ohio Suit.

Before passing to detailed argument of the main points in dispute, it will be helpful to review, in more detail, the proceedings in the two suits, beginning with the earlier Ohio suit.

(1) Petitioner-plaintiff's "Meccano" was the pioneer practical and commercially successful building-toy of its character and principle, consisting of metal parts, and a large and valuable business has been created therein in the United States and in foreign countries.

(2) On or about December 24, 1913, petitioner-plaintiff instituted the aforesaid Ohio suit in the District Court for the Southern District of Ohio, Western Division, against "Francis A. Wagner (trading as The American Mechanical Toy Company)," of Dayton, Ohio, and The Strobel & Wilken Company (one of Wagner's customers), charging *inter alia* unfair competition with petitioner-plaintiff's said Meccano product and infringement of petitioner-plaintiff's two aforesaid registered copyrights No. 291,375, dated June 22, 1911, and No. 294,670, dated August 14, 1911,* by said defendants in manufacturing, producing, offering for sale, and selling and distributing their so-called "The American Model Builder" toy-building product, including books or manuals of instruction. Motion for preliminary injunction was argued March 7, 1914 (R., 85), and overruled December 4, 1914 (R., 85).

*There was also a charge of infringement of petitioner's Hornby patent No. 1,079,245, relating to the three metal plates illustrated at the top of yellow page W preceding page 173 of the record. That charge was sustained by the District Court of Ohio, but the Court of Appeals, Sixth Circuit, held the patent invalid. A similar charge of patent infringement was thereupon withdrawn from this Wamamaker New York suit before the Court of Appeals rendered its decisions herein. (See 2nd par., top p. 146 of record.)

(3) Said Ohio suit was tried May 25 to June 2, 1915 (R., top 97), the defendant Wagner testifying at length before the Ohio District Court (Judge Hollister) and attempting to explain and justify his copying and counterfeiting of petitioner's prior Meccano product (R., 96). With this advantage of seeing and hearing Wagner testify, as well as other witnesses in his behalf, said court, on June 12, 1916, rendered its opinion (R., 64), sustaining the charges of unfair competition and copyright infringement by said American Model Builder product. Said opinion (234 Fed., 912) makes findings of facts and states conclusions such as the following:

(a) Upon the issue of *unfair competition*:—That "The American Model Builder is not only a fraud on the public, but also a fraud on the complainant. I find the charge of unfair competition amply established by the facts and under the law" (R., 70); that Wagner's product "except for great care in examination cannot be distinguished from the complainant's Meccano" (R., 66); that testimony as to confusion and palming-off is not needed, the appearance of defendant's outfits being enough "to warrant the court in concluding, as is now concluded, that the defendant's outfits, parts, boxes and labels would deceive the purchasing public, and were so intended" (R., 67); that "However strongly defendant asserts ignorance, accident or mistake, little weight can be given to what he says in the face of what is disclosed by the physical appearance of the outfits, the manuals, method of arrangement of contents of boxes," etc. (R. 68); that "Even if there were no evidence tending to show actual palming-off * * * there is a silent representation made by the outfits, the arrangement of parts and number of parts, the manuals * * * that 'American Model Builder' is the same as Meccano" (R., 68); that "Defendant's Manuals may be the result of thought and labor, but the labor and thought is not of an original character, resulting in some-

thing new * * * it is clear enough that the labor and thought expended has been for the purpose of making a manual * * * counterfeit the Meccano Manual" (R., 68); and that "Unfair competition exists also in that the complainant has established a business system which is peculiarly its own. This was done at the expense of time, thought, labor and much money. * * * The defendant uses complainant's business and the system it has established. In these it has acquired a property right of which its competitor cannot deprive it by introducing his goods into, and as a part of, complainant's business and business system. In this respect, the case strongly resembles *Prest-O-Lite Co. vs. Davis*, 209 Fed., 917, affirmed by the Circuit Court of Appeals of this Circuit, 215 Fed., 349. If it be assumed that defendant could establish a business system of his own and enter into competition with the complainant's similar system, it seems to me quite clear that the defendant's system could not be so used as to appropriate the business and good will established by the complainant. It cannot be that the defendant can build up his own business by taking away complainant's business through the very method established by complainant for carrying it on" (R., 69-70).

(b) Upon the issue of *copyright infringement*:—That "The fact is defendant copied its manual * * * from complainant's copyrighted * * * manuals" (R., 72); that "However strongly defendant asserts ignorance, accident, or mistake, little weight can be given to what he says in the face of what is disclosed by * * * that manual * * *. Defendant's manuals may be the result of labor and thought, but the labor and thought is not of an original character * * *. It is clear enough that the labor and thought expended has been for the purpose of making a manual * * * counterfeit the Meccano Manual" (R., 68); and that "When defendants' manuals are subjected to the tests laid down in these cases, there is no room for doubt that the manuals complained of are piracies of complainant's

copyrighted manuals which the defendants are charged in this case with having infringed" (R., 71).

(4) On July 8, 1916, a decree (R., 76) was entered in conformity with said opinion; on the same day defendants appealed and a few days later gave a bond of \$50,000 to supersede an injunction. Before a hearing on their appeal, defendants made a motion before the Court of Appeals, Sixth Circuit, for the introduction of further evidence, said court disposing of said motion by its decision (235 Fed., 890) authorizing the district court to entertain such a motion. A similar motion supported by affidavits and a showing of the alleged newly discovered evidence was denied by the district court, for the reason that the subject-matter of the so-called newly discovered evidence is not "sufficient to warrant a change in its [the district court's] previously expressed views in the case" (R., 136-7). From such decision defendants prosecuted an ancillary appeal.

(5) On or about January 2, 1917, before a hearing on the aforesaid appeals, the defendant Wagner (in defense of Wanamaker) moved (R., 112-13) the Court of Appeals, Sixth Circuit, in the Ohio suit, to enjoin prosecution of this Wanamaker New York suit (then but recently instituted) and to hold Meccano Limited in contempt for having instituted this Wanamaker suit. By decision of February 6, 1917 (239 Fed., 901), said motion was overruled.

(6) In disposing of the appeals (the main appeal and the ancillary appeal) the Court of Appeals for the Sixth Circuit, by its opinion (R., 131) of November 16, 1917 (246 Fed., 603), *approved* (R., 2nd par., p. 132) the aforesaid and other conclusions and findings of the District Court upon the issues of unfair competition and copyright infringement; and later, in said opinion, in passing upon alleged newly discovered evidence, gives an added approval to "the soundness of the conclusions reached upon such issue" (unfair competition), saying (R., 137), "Appellants do not seem to appreciate the true effect of other features of the evidence

upon which the court evidently rested this conclusion (234 Fed., at pp. 917 to 919).” The Court of Appeals held the Hornby patent invalid and in that respect alone reversed the District Court.

(7) A petition for rehearing (R., 137), filed about December 13, 1917, was denied by the Sixth Circuit Court of Appeals by an order (drawn by the court, R., 139) of January 14, 1918, again approving the conclusions of the District Court upon the issues of unfair competition and copyright infringement.

(8) On February 11, 1918, a decree (R., 139) was entered by the district court in accordance with the opinion and mandate of said Court of Appeals, and a writ of injunction (R., 143) issued the same day and was duly served.

(9) On February 14, 1918, the defendants Wagner *et al.* petitioned the Court of Appeals, Sixth Circuit, for a writ of mandamus with reference to certain provisions in the aforesaid decree of February 11, 1918, and on March 15, 1918, said court issued a show cause order (R., 147) to the district court. As the result of such proceedings, the district court entered an order of November 29, 1918 (certified copy filed with the papers) amending the aforesaid decree of February 11, 1918, in conformity with orders of said Court of Appeals, dated October 18 and November 14, 1918, by eliminating (from the decree) (a) requirements of immediate payment of \$5,000 awarded as copyright damages and \$3,000 awarded as attorney's fee, (b) a requirement for the giving of a bond as an alternative to immediate payment of said sums, and (c) a direction to the marshal “to destroy * * * within thirty days after obtaining custody thereof” certain unlawful products required to be delivered over by the defendants.*

*As is apparent, such emendations of the decree in no manner detract from its effectiveness for the purposes for which it is invoked in this case.

More specifically, the decree was amended as follows:

(a) By striking from paragraph 7 (see p. 141 of R.) the words and figures—

“and judgment may forthwith be entered against said defendants and in favor of complainant, Meccano Limited, for said five thousand dollars (\$5,000), and execution therefor is awarded,”

and by striking from paragraph 8 (see p. 141 of R.) the words and figures—

“which sum defendants are ordered to pay, and judgment may forthwith be entered against the defendants, Francis A. Wagner and The Strobel & Wilken Company, and in favor of said Lewis and Scott, for said three thousand dollars (\$3,000), and execution therefor is awarded.”

(b) By striking out paragraph 8½ (R., 142), the same reading—

“(8½) That upon the giving of a bond, within ten days from the date hereof, to be approved by the court, in the sum of ten thousand dollars (\$10,000.00), to secure payment of said sum of three thousand dollars (\$3,000.00) awarded in Paragraph 8 to said Lewis and Scott, and the sum of five thousand dollars (\$5,000.00) awarded in Paragraph 7 to the complainant, Meccano Limited, the payment of said sums shall be superseded pending the entry of final decree herein.”

(c) By striking from paragraph 15 (R., 143) the words—

“and the said Marshal is hereby directed to destroy the same within thirty days after obtaining custody thereof.”

(10) A second petition for rehearing (R., 174), filed about May 1, 1918, and signed by Messrs. Toulmin & Toulmin, counsel for the defendants in both suits (and denied by the Court of Appeals May 15, 1918, certified copy of de-

nial order filed with the papers), correctly states (R., 175) that "(1) The parties in interest are the same (or in privity); (2) The subject-matter is the same; (3) The relief sought is the same; (4) The issues are the same, and the defenses are the same; and (5) The evidence is the same * * *."

(11) On November 2, 1918,—upon the basis of the Court of Appeals, Second Circuit, second decision of April 15, 1918 (R., 149), in this Wanamaker suit,—defendants Wagner *et al.* in the Ohio suit moved the Court of Appeals, Sixth Circuit, to stay the accounting in the Ohio suit, to await this Court's (the Supreme Court's) decision in this certiorari proceeding. The Court of Appeals denied the motion on November 14, 1918, with the suggestion that jurisdiction of the cause was at that time with the district court. Thereafter similar motion was made in the Ohio district court and overruled by that court December 17, 1918.

Thereupon, Wagner *et al.*, on January 6, 1919, petitioned this Court, in the Wagner mandamus proceeding hereinbefore mentioned, for writ of mandamus directing the Ohio Courts to stay the accounting in the Ohio suit. The petition signed by the same counsel (Messrs. Toulmin & Toulmin) here representing Wanamaker-Wagner, correctly advises this Court that the "issues" and the "subject-matter" are the *same* in the two suits. After the argument on the "answers of the courts and judges to the usual rule to show cause," this Court dismissed the petition by its decision of April 14, 1919, *supra*. Petition for rehearing was denied May 19, 1919.

Part 5—Proceedings in This Wanamaker New York Suit.

(1) On December 9, 1916, petitioner instituted this suit, the bill of complaint charging *inter alia** unfair competition

*As stated in a previous foot-note, a charge of patent infringement was withdrawn from this suit before the decisions of the Court of Appeals herein.

and infringement of the copyrights aforesaid, by Wanamaker's dealings in and sale of the same American Model Builder product as involved in the earlier Ohio suit against the manufacturer thereof, the two suits thus presenting the same causes of action and the same issues. The bill recites said Ohio suit against the manufacturer, and the decree therein is laid as a part of the gist of this suit (R., 11).

By its answer (R., 16) defendant Wanamaker admits that it deals in and sells toy outfits known as "The American Model Builder" manufactured by The American Mechanical Toy Company, of Dayton, Ohio, and also instruction books, etc. (R., 17); "admits that complainant brought suit against the manufacturer of the American Model Builder (the toy complained of herein), in the Southern District of Ohio, Western Division, upon the same issues as involved herein" (R., 29). But said answer claims authorization to sell and continue the sale of said product because of the \$50,000 supersedeas bond (R., 86) given by the manufacturer in the Ohio suit. Otherwise said answer pleads the same defenses as previously presented in the pleadings and the same evidence as in said prior Ohio suit.

(2) Petitioner-plaintiff, about December 15, 1916, moved (R., 30) for preliminary injunction on supporting affidavits and exhibits, showing, amongst other things, that certain of the exhibits of American Model Builder product introduced by petitioner in the Ohio suit, and upon the basis of which the courts of the Sixth Circuit adjudged said product to be unlawful on the ground of unfair competition and copyright infringement, were American Model Builder outfits and manuals purchased in New York from the present defendant Wanamaker (R., 55-6).

(3) By opinion of January 9, 1917 (R., 115), and order of January 12, 1917 (R., 116), the District Court for the Southern District of New York (Judge Augustus N. Hand) granted a preliminary injunction upon the basis of the

opinion and decree of the Ohio District Court (Judge Hollister) in the

"suit against the manufacturer of the mechanical constructional toy involved here," "upon the precise issues involved in this cause * * * brought against a customer of the defendant in that case" (quotations from R., 115),

and after an independent examination by Judge Hand of the "briefs and records in the Ohio case sufficiently to be in general agreement with Judge Hollister" (R., 115). At the time of this decision by Judge Hand the Court of Appeals for the Sixth Circuit had not yet affirmed Judge Hollister.

(4) About January 2, 1917, the Ohio defendant Wagner made his hereinbefore mentioned motion to enjoin prosecution of this Wanamaker suit—said motion correctly alleging the present suit to be "against John Wanamaker, a customer of the appellant-manufacturer, who purchased toy outfits from said manufacturer, * * * which toy outfits are the same in kind as those involved in this action" (R., 113). A supporting affidavit by the manufacturer Wagner (R., 113), who has assumed the defense of the present suit, also correctly alleges that "Meccano Limited, the plaintiff in this Ohio action, * * * instituted an [this] action against said John Wanamaker, of New York, in the United States District Court for the Southern District of New York, upon the same issues as involved in this suit, save only that John Wanamaker was made defendant instead of the Ohio defendants" (R., 114).

(5) By order (R., 119) of the District Court (Judge Hough), defendant answered (R., 120-1) certain interrogatories (R., 118-19) propounded by petitioner, said sworn answers admitting that the defendant Wagner (The American Mechanical Toy Co.) of the Ohio suit, through his counsel in that suit, is defending Wanamaker in this suit under "assurances" to said Wanamaker to hold it "harmless

by reason of the purchase and sale of toys manufactured by The American Mechanical Toy Company"—all as more fully set forth in Part 7 of this brief.

(6) After the argument on January 10, 1918 (R., 149), on appeal (R., 122) from the order granting preliminary injunction, and while the latter was still under consideration by the Court of Appeals for the Second Circuit, the Court of Appeals for the Sixth Circuit, on January 14, 1918 (R., 139), denied the motion of the defendant-manufacturer Wagner for rehearing in the Ohio suit. Thereupon, as before stated, petitioner, following and citing the practice approved by this Court in *Hart Steel Co. ex. Ry. Supply Co.* (244 U. S., 294; 61 Law Ed., 1148), promptly made a motion herein on January 25, 1918, before the Court of Appeals for the Second Circuit for a decision on the merits "upon the ground that the decision * * * of the * * * Court of Appeals for the Sixth Circuit * * * is final and conclusive as to the case at bar under the principles enunciated by the Supreme Court in the various decisions referred to in the accompanying brief" (R., 130).

(7) The Court of Appeals for the Second Circuit (Judges Rogers, Learned Hand and Mayer), on April 15, 1918, denied petitioner's said Motion for Judgment (opinion by Judge Learned Hand, R., 145), upon what petitioner believes to be the erroneous theory that the issues here litigated are not so "coextensive with the issues litigated in the Ohio suit" as to permit the Court to "dispose of the suit in this summary manner" (R., 147). With reference to the identity or privity of the parties defendant, the decision says, in part, "it may be assumed * * * that Wagner," the defendant-manufacturer in the Ohio suit (trading as The American Mechanical Toy Company) "assumed the chief conduct of the [this] case and that defendant [Wanamaker] remains only formally represented" (R., 145-6), "Wagner having now intervened" (R., 147). And, with reference to

the similarity of causes of action and issues, the decision says that "the plaintiff sued Wagner in Ohio upon the * * * same causes of equity and obtained a decree * * * and the decree was affirmed [by the 6th C. C. A.] except as to the patent * * * now withdrawn from this suit" (R., 146), and that "While we do not hold that the decree is an estoppel, taken strictly, even as to those toys and manuals" [those obtained from the Ohio manufacturer Wagner], "we may even suppose that, Wagner having now intervened, it is such" (R., 147).

While reserving for disposition "upon the appeal from the injunction *pendente lite*" the question "how far the effect of that decree [of the 6th C. C. A.] may be to entitle the plaintiff to an injunction against the defendant against selling any of the toys or manuals which it may buy from Wagner" (R., 146), the Court of Appeals says that this

"need not depend in any sense upon the estoppel of the defendant by that decree. It might, for example, be held under an extension of the doctrine of *Kessler vs. Eldred*, 206 U. S., 285, that the purchase of toys and manuals from Wagner, which he had been enjoined from selling, if not an actual contempt of that decree, was at least in derogation of the plaintiff's rights established thereby and thus a tort against it" (R., 146-7).

While thus recognizing petitioner's right to an injunction upon the basis of the Ohio decree, the subsequent majority opinion (Judges Ward and Rogers, R., 149) of the same Court (with a dissenting opinion by Judge Learned Hand, R., 151) refused to give effect to the Ohio decree and reversed the order of the District Court granting preliminary injunction, thus showing conflict of opinion between said Court of Appeals as constituted in the two instances. Judges Rogers, Learned Hand and Mayer in the first instance, and Judges Ward, Rogers and Learned Hand in the second instance.

(8) By its aforesaid subsequent decision of April 15, 1918 (R., 149), the Court of Appeals for the Second Circuit (in a majority opinion by Judges Ward and Rogers)—without mention of the force of the Ohio judgment, and in seeming disregard of well-known principles and rules of law and decisions establishing the conclusiveness of said judgment in the premises, and seemingly disregarding the effect to which said Sixth Circuit Court of Appeals judgment is entitled in other courts of co-ordinate jurisdiction, and the established rule that a preliminary injunction order should not be reversed in the absence of a clear showing of abuse of discretion by the Court below—reversed the order of the District Court (Judge Augustus N. Hand) and denied preliminary injunction, holding that “upon the question of copyright infringement and unfair competition, we think the case [made out by the affidavits and exhibits] not clear” (R., 150). Thereby said Court decided in direct conflict with the judgments of the Ohio District Court and of the Sixth Circuit Court of Appeals, after lengthy open court trial, and upon the more complete records of testimony and exhibits before those Courts.

In his dissenting opinion (R., 151-2) Judge Learned Hand, consistent with the views he had theretofore expressed for the same Court of Appeals in its opinion on the motion for decision on the merits, stated that the Ohio judgment is conclusive of petitioner's right to preliminary injunction “quite independently of how we might ourselves view the transactions out of which the Ohio decree proceeded” and “regardless of what relief we might have given the plaintiff upon the state of facts,” and that it appearing that Wanamaker is “only buying its toys of Wagner * * * I think the plaintiff has established its right by the mere force of that [Ohio] decree to prevent Wanamaker from inducing Wagner to violate it,” citing *Kessler vs. Eldred*, 206 U. S., 285.

(9) By petition (R., 152 *et seq.*) filed May 13, 1918, your petitioner prayed said Court of Appeals, Second Circuit, for a rehearing with respect to its majority opinion denying preliminary injunction, and also (R., 171-2) with respect to its aforesaid opinion denying petitioner's motion for decision on the merits; but said petition was denied May 23, 1918 (R., 178).

(10) On June 7, 1918, the District Court (Judge Mayer) entered an "Order on Mandate" (certified copy filed with the papers) reversing the preliminary injunction order with costs against plaintiff. On the same day defendant moved (certified copy of motion filed with the papers) that "in view of the law of this case respecting the question of unfair competition, as laid down by said Court of Appeals in its said decision [its second decision herein, R., 149, denying preliminary injunction], the bill of complaint be dismissed as to that cause of action." But the ruling of said decision was that to "justify a preliminary injunction * * * the case ought to be very clear. * * * Upon the question of * * * unfair competition, we think the case [that made out by affidavits and exhibits] not clear." The decision did not establish any "law of this case respecting unfair competition." Nevertheless, on June 7, 1918, Judge Mayer entered a decree (certified copy with the papers) providing in part as follows:

"(5.) That the bill of complaint is dismissed as to the charge of unfair competition, and that the action may be proceeded with on the charge of copyright infringement." *

By so decreeing, upon the basis of mere affidavits and exhibits before the Court confined exclusively to a showing of Wanamaker's dealings in American Model Builder product,

*Said order was later rescinded by Judge Mayer (see certified copy of order of August 20, 1918, filed with the papers) to await this Court's disposition of this cause.

Judge Mayer, at this later date, recognized that the issues presented in this case *are* coextensive with those in the Ohio suit, and do not, as suggested in the first decision of the Court of Appeals (with the same Judge Mayer as a member), extend to Wanamaker's dealings in toy products other than the American Model Builder which Wanamaker obtained from Wagner, who is here defending this suit.

Otherwise, how could Judge Mayer enter an order of dismissal as to the charge of unfair competition upon a preliminary injunction showing restricted to American Model Builder and with no opportunity to plaintiff to introduce any proof as to other toys said by the Courts of Appeals to be embraced by the issue? After the grant of certiorari herein Judge Mayer set aside his aforesaid order of dismissal as to unfair competition and also ordered that "all further proceedings herein be stayed" pending this Court's decision herein.

(11) On August 13, 1918, plaintiff filed its petition for certiorari, which this Court granted October 28, 1919. On June 9, 1919, this Court denied petitioner-plaintiff's motion to advance the hearing. The brief of respondent, offering no objection, states, amongst other things, that

"The same toys or articles are involved in both of these suits—this suit in New York and the suit in Ohio."

(12) Since the grant of certiorari herein, another suit (which we will designate the "Wanamaker-Structo Suit") between the same parties hereto, upon a charge of unfair competition concerning Wanamaker's dealings in a toy product known as "Structo," has been amicably settled. Such act of both parties hereto places beyond further dispute the question whether the issue herein embraces other toys such as said "Structo," and further confirms petitioner's contentions here and before the courts below, that the issue herein is confined to American Model Builder. In view of such

conditions, petitioner-plaintiff recently initiated a move in the District Court seeking to further confirm, by affirmative disclaimer, the already present (but disputed) limitation of this suit to American Model Builder product. This matter will be further dealt with in a following section of this brief.

For ready reference, we submit the following tabulation of dates in the two suits:

Comparative Tabulation of Dates in the Two Suits.

WAGNER OHIO SUIT.	THIS WANAMAKER NEW YORK SUIT.
Dec. 24/13—Ohio suit begun.	.....
Mar. 7/14—Prely. injn. motion argued (R. 85).	.....
Dec. 4/14—Prely. injn. motion overruled (R. 85).	.....
May 25—June 2/15—Trial (R. 85-6).	.....
June 12/16—Judge Hollister's decision, 234 Fed. 912 (R. 64).	.....
July 8/16—First decree (R. 76). Appeal to C. C. A. (R. 86).	.....
.....	Dec. 9/16—Bill filed.
Jan. 2/17—Motion by Wagner before C. C. A., 6th, to enjoin Wanamaker, New York Suit, and hold plaintiff in contempt (R. 112).	.....
.....	Jan. 9/17—Decsn. of District Ct. (Judge A. N. Hand) granting injn., 241 Fed. 133 (R. 115).

WAGNER OHIO SUIT (Cont'd).

THIS WANAMAKER NEW YORK
SUIT (Cont'd).

Feb. 6/17—Decsn. of C. C. A., 6th (239 Fed., 901), de- nying motion to enjoin Wanamaker Suit, etc.	.....	Feb. 9/17—Deft. appealed (R. 122) to C. C. A., 2nd, from prely. injn. order.
.....		
Apr. 11/17—Hearing C. C. A., 6th.	.....
Nov. 16/17—Decsn. C. C. A., 6th, 246 Fed., 603 (R. 131).	.....
.....		Jan. 10/18—Appeal on prely. injn. argued in C. C. A., 2nd.
Jan. 14/18—Wagner first peti- tion for rehearing de- nied, 246 Fed., 610 (R. 139), and Second de- cree (R. 139) entered shortly thereafter.	.....
.....		Jan. 25/18— <i>Plaintiff moved for decsn. on merits in view of Ohio judgment and Wagner's defense of Wanamaker.</i>
Feb. 14/18—Mandamus petition filed in C. C. A., 6th, pro- ceedings stayed.	.....
.....		Mar. 24/18—2d C. C. A.'s decsn. denying motion for decsn. on merits, 250 Fed., 250 (R. 145).
.....		Apr. 15/18—2d C. C. A.'s decsn. reversing prely. injn., 250 Fed., 450; dissent, Learned Hand, 250 Fed., 453 (R. 149, 151).
May 1/18—2d petition rehearing filed (R. 174).	.....
.....		May 13/18—Plaintiff petitioned for rehearing (R. 152).

WAGNER OHIO SUIT (Cont'd).	THIS WANAMAKER NEW YORK SUIT (Cont'd).
May 15/18—2d rehearing petition denied (R. 178).	.....
.....	May 23/18—Rehearing denied (R. 178).
June 5/18—Motion to advance mandamus hearing.	.....
June 7/18—Hearing set for October.	.....
.....	Aug. 13/18—Petition for certiorari filed Sup. Ct.
Oct. 11/18—Mandamus hearing.	.....
Oct. 18/18—Order of 6th C. C. A. disposing of mandamus matter.	.....
.....	Oct. 28/18—Certiorari petition granted.
.....	Oct. 31/18—Writ of certiorari issued.
Nov. 2/18—Motion to stay all proceedings.	.....
Nov. 14/18—6th C. C. A. order annulling stay order Feb. 14/18 and referring stay motion to D. C.	.....
.....	Nov. 22/18—Return to writ filed.
Nov. 23/18—Motion to stay accounting filed in district court.	.....
Dec. 17/18—Motion to stay accounting overruled by district court.	.....
.....
Jan. 6/19—Wagner Mandamus petition presented to Supreme Court (seeking stay of accounting).	.....

WAGNER OHIO SUIT (Cont'd).

THIS WANAMAKER NEW YORK
SUIT (Cont'd).

JAN. 13/19—Supreme Court's rule to show cause.	.....
MAR. 3/19—Returns to rule filed.	.....
APR. 14/19—Decsn. of Sup. Ct. dismissing petition for mandamus.	.....
MAY 19/19—Rehearing <i>re</i> man- damus denied by Sup. Ct.	.....
.....	MAY 26/19—Motion to advance hearing.
.....	JUNE 9/19—Motion to advance denied by Sup. Ct.

**Part 6—The Decision and Decree in the Ohio Suit are
Conclusive and Final.**

The *decision* (R., 131) of the Court of Appeals, Sixth Circuit, reiterated by that Court's denial of two petitions for rehearing, is *final*. The decree (R., 139)* entered in conformity with that decision, adjudges that plaintiff is the owner and entitled to the exclusive possession and enjoyment of its rights and property in its "Meccano" toy-building product and registered copyrights on books constituting part of said product; adjudges that defendant's "American Model Builder" product constitutes unfair competition and copyright infringement with respect to plaintiff's said rights and property, and orders that defendants be permanently enjoined. Defendants have been under injunction (R., 143) since about February 11, 1918. In all such essentials, said *decision* is *final* upon the

*As the result of mandamus proceedings, the decree has been amended in minor particulars set forth in section 9 of Part 3 of this brief. Such emendations in no way detract from its effectiveness for the purpose for which it is here invoked.

law and facts there (and *here*) in controversy, and conclusively establishes the respective rights of the parties in the case at bar. For the same reasons, *the decree* based on said decision is tantamount to a *final decree*—it is *final* in all respects required to fully qualify it for the purpose for which it is invoked. It possesses all the attributes of finality needed to make it conclusive in this case.

As this Court said in *In re Sanford Fork and Tool Co.*, 160 U. S., 247; 40 Law Ed., 414; 16 S. C. R., 291, 293, 294 (emphasis ours)—

“When a case has been once decided by this Court on appeal and remanded to the Circuit Court, whatever was before this Court, and disposed of by its decree, is considered as *finally settled*. The Circuit Court is bound by the decree as the *law of the case*; and must carry it into execution, according to the mandate. That Court cannot vary it, or examine it for any other purpose than execution; or give any other or further relief; or review it, even for apparent error, upon any matter decided on appeal; or intermeddle with it, further than to settle so much as has been remanded. * * * no question, once considered and decided by this Court, can be re-examined at any subsequent stage of the same case.”

And in *Smith vs. Vulcan Iron Works*, 165 U. S., 518, 525; 41 Law Ed., 810, 812; 17 S. C. R., 407, 410, this Court said (emphasis ours)—

“the merits of the case, having been once determined by the *appellate court* in reversing the interlocutory decree, were not open to reconsideration at a later stage of the same case, *either in that Court or in the Court below*.”

With respect to the *amount* of damages and profits the decree is interlocutory, because it directs an accounting. But the amount of recovery to be made in the Ohio suit is non-essential and immaterial to the purpose for which the decree is here invoked. Hence, regardless of its interlocutory

provision, the decree conclusively adjudicates the substantive rights and issues which one of the Ohio defendants, Wagner (the American Mechanical Toy Company), is here attempting to relitigate. Its substantive finality is all sufficient to entitle petitioner-plaintiff to the relief here sought. It is inconceivable that said Wagner (the American Mechanical Toy Company), by assuming the defense of Wanamaker in this case, can—particularly while under permanent injunction—thus relitigate the matters adjudicated against him in Ohio suit and evade the conclusiveness of that judgment; the fact that the decree contains provisions for an accounting is no *reason* why he should be permitted to do so. And getting right down to the bottom of things, what *reason* is there, *as applied to the situation at hand*, for any distinction between the decree in question, including its directions for an accounting, and the same decree without such provisions (or merely waiving an accounting)? The answer is that there is no real reason and no distinction. As applied to the instant situation, both decrees would be equally final and conclusive. The Court of Appeals has correctly decided the question in its first decision, saying:

"We further disregard the objection that the Ohio decree is still only interlocutory and therefore under general principles cannot in any event constitute an estoppel. * * * The reason for the rule limiting the conclusiveness of interlocutory decrees does not apply, *i. e.*, that the decree still remains *in gremio*, since the District Court has no longer any power to modify so much as has been affirmed by the Circuit Court of Appeals. For the purposes of this motion, we may assume that in so far as concerns the matters before the Circuit Court of Appeals, the issues have been finally and conclusively determined" (R., 146).

"While we do not hold that the decree is an estoppel taken strictly, even as to those toys and manuals, those obtained by Wanamaker from Wagner. The American Mechanical Toy Company, we may suppose that, Wagner having now intervened, it is such" (R., 147).

Judge Learned Hand, in his dissent to the second decision of the Court of Appeals herein, says (R., 151-2), "Wanamaker * * * should be enjoined regardless of what relief we might have given plaintiff under the state of facts. * * * I think the plaintiff has established its right [to enjoin Wanamaker] by the mere force of that [the Ohio] decree."

The Court of Appeals, Sixth Circuit, in its printed return (p. 5, paragraph a of section 5) in the aforesaid Wagner mandamus proceedings in this Court, refers to the decree under consideration as "final as to all matters which had been heard and decided by us upon the appeal," while "as to all other matters, still interlocutory." In the situation at bar we are concerned with said decree only in its relation to "matter heard and decided" and as to which it is final. In other words, the courts refuse to follow the purely technical and reasonless theory that a decree which is not final in *every* respect is not final in *any* respect, but merely interlocutory. It has become futile to argue that a decree (like that at bar) which finally adjudicates the rights of the parties and provides for a permanent injunction, is "merely and purely interlocutory" (as respondent has contended), because it refers the cause to a master for an accounting.

If the Ohio defendant and manufacturer, Wagner, could conduct the defense of this case, and Wanamaker could turn over (as it has done) that defense to Wagner, without thereby subjecting themselves to the conclusiveness of the Ohio suit decree, the situation thereby presented would be most repugnant to that conclusiveness which this Court has so often said (in *Southern Pacific Co. vs. U. S.*, *infra*, for example) must attend the judgments of the courts. If Wagner were thus free to relitigate in New York, he could relitigate in other jurisdictions by there assuming the defense of other customers, and continue to do so until the accounting in the Ohio suit is disposed of and that one lacking phase of finality

added to the decree. The authorities amply support the finality of the decree for the purposes for which it is here invoked.

Bissell Co. vs. Goshen Co., 72 F. R., 545, 552 (C. C. A. 6th), involved the effect to be given a decree providing for an accounting. The opinion written by Judge Lurton (Judge Taft also sitting) says:

"the opinions and decrees of this, as a court of appellate jurisdiction, are final and conclusive upon every point actually decided, and * * * it is the clear duty of the lower court to give effect to the decree without modification or enlargement, in the very terms of the decree here rendered."

In other words, upon every point "actually decided" the decree of a Court of Appeals is "final and conclusive."

In *East Co. vs. Peoples Bank*, 111 F. R., 446 (C. C. A. 4th), decree providing for sale of real property, and report on the sale, was held to be "final for the purposes of appeal."

In *Smith vs. Farbenfabriken Co.*, 197 F. R., 894 (C. C. A. 6th), decrees made upon "final hearing, on pleadings and proofs," were held to be final with respect to certain matters of clerk's fees.

In *Marian Coal Co. vs. Peale*, 204 F. R., 161 (C. C. A. 3rd), a decree adjudicating the rights of the parties, providing for a perpetual injunction, and appointing "a special examiner to state an account between the parties," although found to be in "form * * * rather interlocutory than final," was held to be "final for the purpose of appeal."

In *Carondelet Canal Co. vs. State of Louisiana*, 233 U. S., 362; 34 S. C. R., 627, a judgment was held to have "substantial finality," although it contained reservations with respect to "a small piece of ground upon which there was a dispute," and as to "an accounting of certain disbursements."

In *Kessler vs. Eldred*, 206 U. S., 285; 51 Law Ed., 1065; 27 S. C. R., 611, a decree adjudging non-infringement of patent and dismissing the bill (hence essentially and also technically final), was held by this Court to be conclusive against further suits by Eldred against customers of Kessler. Can it be that, had the situation been reversed and the decree favorable to the patent, with directions for permanent injunction, this Court would have refused to enforce it because technically interlocutory with respect to a further provision thereof directing an accounting of damages and profits?

In *Hart Steel Co. vs. R. R. Supply Co.*, *supra*, 244 U. S., 294; 61 Law Ed., 1148; 37 S. C. R., 506, the judgment or decree of the Court of Appeals of the Sixth Circuit, which held the patent invalid and dismissed the bill, was held to be *res adjudicata* in a Seventh Circuit suit. That judgment was both essentially and technically final, being completely devoid of interlocutory provisions. But can it be, that had the judgment sustained the patent, found infringement, directed an injunction (being in such respects final), and directed an accounting (being in that sole respect technically interlocutory), this Court would have refused to enforce such a decree in the Seventh Circuit? The answer must be negative, for the very reasons here urged—and the equities in the case at bar in favor of plaintiff-petitioner are much stronger.

As stated in *National Brake Co. vs. Christensen*, *infra* (C. C. A. 7th, emphasis ours):

“Our understanding of the Hart case is that the first adjudication on the equities of a bill is binding on the parties and their privies. * * * We do not understand that the intention of the parties in submitting their full proofs and the character of such submission and the intention of the Court in giving deliberate consideration to all the evidence and law the parties can present and the character of the result of such consideration, are *dependent upon the*

subsequent condition that the Court shall always deny and never grant the equitable relief prayed for in the bill" (258 Fed., 888).

In other words, the doctrine of estoppel and *res adjudicata* is not one-sided. In the language of the street, it is not a case of "heads I win, tails you lose." Mutuality is an essential element. Under the Judicial Code, section 128,* the Court of Appeals for the Sixth Circuit has jurisdiction to render, and has rendered, its final judgment and decree in the Ohio suit with respect to all matters save the amount of damages and profits; final as to unfair competition because jurisdiction was dependent upon "the opposite parties to the suit or controversy being aliens and citizens of the United States"; and final as to "copyright infringement" because said section of the Code expressly names "cases arising under the * * * copyright laws" as amongst those in which the judgments and decrees of the Courts of Appeals are final. The exceptions of said section 128, to wit, that the judgments and decrees of the Courts of Appeals shall be final "except as provided in sections two hundred and thirty-nine and two hundred and forty," do not apply, because (1) the Ohio suit is not one in which the Court of Appeals has certified to this (Supreme) Court "any question or proposition of law concerning which it desired the instruction of that Court for its

*Sec. 128. The circuit courts of appeals shall exercise appellate jurisdiction to review by appeal or writ of error final decisions in the district courts, including the United States district court for Hawaii, in all cases other than those in which appeals and writs of error may be taken direct to the Supreme Court, as provided in section two hundred and thirty-eight, unless otherwise provided by law; and, except as provided in sections two hundred and thirty-nine and two hundred and forty, the judgments and decrees of the circuit courts of appeals shall be final in all cases in which the jurisdiction is dependent entirely upon the opposite parties to the suit or controversy being aliens and citizens of the United States, or citizens of different States; also in all cases arising under the patent laws, under the copyright laws, under the revenue laws, and under the criminal laws, and in admiralty cases."

proper decision," as provided in section 239,* and (2) the Ohio suit is not one in which this (Supreme) Court has required "by certiorari or otherwise, upon the petition of any party thereto, such case to be certified to the Supreme Court for its review," as provided in section 240.**

But it is not our purpose to attempt an extended review of the authorities which support our contention of finality. Nor is it our purpose to herein discuss the cases which respondent will urge as unfavorable to that contention. As to the latter, suffice it to say that they, and especially the decisions of this Court (for example, *Ex Parte National*, 201 U. S., 156; 26 S. C. R., 404; and *California Bank vs. Staller*, 17 U. S., 447; 19 S. C. R., 6), relate principally to matters of appeal or writ of error, in which (under the appeal statutes) time is an essential; and do not concern questions of estoppel or *res adjudicata* under circumstances such as presented in the case at bar. And this Court has not hesitated to enforce the distinction that a decree, while in a "strict technical sense" interlocutory with respect to an accounting provided for therein, is nevertheless final in all other respects in which it conclusively adjudicates the rights of the parties.

*Sec. 239. In any case within its appellate jurisdiction, as defined in section one hundred and twenty-eight, the circuit court of appeals at any time may certify to the Supreme Court of the United States any questions or propositions of law concerning which it desires the instruction of that court for its proper decision; and thereupon the Supreme Court may either give its instruction on the questions and propositions certified to it, which shall be binding upon the circuit court of appeals in such case, or it may require that the whole record and cause be sent up to it for its consideration, and thereupon shall decide the whole matter in controversy in the same manner as if it had been brought there for review by writ of error or appeal."

***Sec. 240. In any case, civil or criminal, in which the judgment or decree of the circuit court of appeals is made final by the provisions of this Title, it shall be competent for the Supreme Court to require, by certiorari or otherwise, upon the petition of any party thereto, any such case to be certified to the Supreme Court for its review and determination, with the same power and authority in the case as if it had been carried by appeal or writ of error to the Supreme Court."

In *Lovell-McConnell Mfg. Co. vs. Automobile Supply Mfg. Co.*, 235 U. S., 383, 387-8; 59 Law Ed., 282, 283; 35 S. C. R., 132, this Court held, with respect to a question of clerk charges, that (emphasis ours):

"It is insisted that it is not [final]—and the court below so held—because, as the statute only provides for an appeal from a 'final judgment or decree,' it does not apply to a case like the one under consideration, where the appeal was from a decree interlocutory in character. But without affixing to the statute a latitudinarian meaning, upon the theory that to do so is essential to give effect to its purpose and intent, and bring every interlocutory decree within its reach, we are of opinion that to exclude an interlocutory decree of the character of the one here involved from the operation of the statute would be to frustrate its plain purpose by a too rigid and unreasoning adherence to its letter. We so conclude because, while in a technical sense the decree here in question was interlocutory, *when its character and the scope of the subject-matter which the appeal brought under review and the relief under it which it was competent to afford are considered, we are of opinion it must follow that such decree was, within the intendment of this statute, a final decree*" (citing *Smith vs. Farbenfabriken of Elberfeld Co.*, 197 F. R., 894-5, 6th C. C. A.).

The Court of Appeals for the Seventh Circuit, in *National Brake Co. vs. Christensen*, *infra*, says of this Lovell-McConnell decision:

"If a decree that is held to be interlocutory for the purpose of appeal is held to be final respecting a right to costs, how much more important it is that such a decree be held to be final respecting the right to hold [or enforce] a permanent injunction [and a conclusive adjudication] based on findings of validity and infringement after a full submission and consideration of all the evidence and the law bearing on those issues" (258 Fed., 887).

The distinction which we urge is discussed with profound ability and the authorities exhaustively reviewed, in the recent decision in the case next cited, and from which we have freely excerpted.

National Brake & Electric Co. vs. Christensen et al., 258 Fed., 880, C. C. A. 7th (Baker, Mack and Evans, Judges, decision of Judge Baker). In 1915 the Court of Appeals, Seventh Circuit, had affirmed a decree of the Wisconsin district court, adjudging and decreeing that Christensen *et al.*, were owners of a valid patent, that defendants had infringed the patent, that a permanent injunction issue, and that an accounting be had. Since 1915 the cause had been pending in the Wisconsin district court on the accounting. In 1917, in a Pennsylvania suit, instituted after the decisions in the Wisconsin suit and alleged to have been on the same issues and between the same parties or their privies, a decree was entered pursuant to mandate of the C. C. A. 3rd, holding the same patent invalid and dismissing the bill. The decision says (emphasis ours):

"And now petitioner [defendant National Co. in the Wisconsin suit] comes before us in an original proceeding, asking that we * * * find that the Pennsylvania decree is *res adjudicata* in this [Wisconsin] case, and thereupon direct the vacation of the Wisconsin decree and the dismissal of the bill on the merits. * * * But at the threshold lies the question of the nature and effect of the Wisconsin decree, affirmed by this Court" (p. 881).

"A decree may be looked at from the point of view of *time*, and also from that of *essence*. The former discloses procedural law, mainly statutory appellate procedure; the latter concerns the right of a party who, for instance, on issues joined respecting title to property and exclusive possession or use, has submitted all his proofs and arguments, afterwards to require the court to ignore its deliberate decree on title and right of possession and to hear again the evidence and arguments on those issues because a supplemental or dependent issue has been reserved for future judicial determination" (p. 881-2).

"While *Forgay vs. Conrad* [6 How., 201; 12 L. Ed., 404] and *Thompson vs. Dean* [7 Wall., 342; 19 L. Ed., 94] are exceptional cases in the application of the Federal appeals statute then in force, they are not exceptional when substantive law is the test. Indeed, throughout the world of English-derived jurisprudence, there is unanimity that a decree which, on issues joined, and on submission by the parties and consideration by the court of all the evidence the parties can or choose to adduce and all the law the parties and the court deem applicable, adjudges that the complainant is the owner and entitled to the exclusive possession of property and that the defendant has unlawfully invaded the complainant's rights, and orders the defendant to surrender or keep away from the property forever, is a final decree on those issues, even though the issue concerning profits or damages from the defendant's trespasses has been reserved for future judicial action" (p. 883).

For precisely similar reasons, the Ohio decree against *Wagner et al.*, is final on issues which render it conclusive against *Wanamaker-Wagner* in the case at bar.

"Injunction cases * * * furnish a particularly clear example of the essential distinction [between time and essence]."

"When the chancellor has found the complainant's title and right to exclusive possession and from evidence of the defendant's repeated and continuing trespasses has found the defendant's threat as to the future, his entry of a permanent injunction exhausts every equitable issue in the bill. But the same evidence that discloses the defendant's threat as to the future usually proves the existence of damages for past trespasses. All that remains in such a case is to ascertain one element, the amount, in order to make the common-law cause of action complete. And it is more convenient that this should be done in the court

that already has jurisdiction of the parties and has established from the evidence the foundation of the common-law cause of action. *So the decree of a permanent injunction, determining as it does all the equities of the bill, is final as to the equities, irrespective of whether an accounting of damages for past trespasses is or is not reserved for future action*" (p. 885-6).

"If a decree establishes a perpetual injunction and orders an accounting, no injury is done if, as a matter of procedural law, it be held that an appeal must be taken within thirty days. Such a decree, though final in essence, is interlocutory in time, and stressing time in procedure, it may be better that the decree be classified as interlocutory for the purposes of appeal. But although appeals from decrees of temporary injunction and from decrees of perpetual injunction with accounting reserved are thus brought within the same section of the appellate practice statute, *no bar to recognizing the difference in essence between temporary and perpetual injunctions is thereby formed*. On appeal from a decree of temporary injunction, the only question is whether the trial court abused its discretion in holding or creating a status. If a decree of perpetual injunction with accounting reserved must be held to be interlocutory in essence because it is held to be interlocutory in time, then the only question on appeal would be the chancellor's abuse of discretion. This very contention was presented in *Smith vs. Vulcan Iron Works*, 165 U. S., 518; 17 Sup. Ct. 407; 41 L. Ed., 810, and was rejected.

"If a decree of perpetual injunction with accounting reserved is merely interlocutory in essence, then the defendant as a matter of right can insist that the chancellor hear again the same evidence and newly discovered evidence and decide anew the equities of the bill. If such a decree is affirmed on appeal, its character, if interlocutory in essence, is not thereby changed, and the defendant could still insist on having his day in the trial court on the merits" (p. 886).

"We are unable to find, as a matter of substantive law, that a perpetual injunction has only a temporary purpose and force" (p. 888).

We are in a court of equity, which regards *substance* rather than form, and delights to do equity and justice regardless of technicality. And we are proceeding under the modern equity rules and practice, the entire spirit and purpose of which is to *expedite* the administration of justice—or, in the vernacular, “to cut out red tape.”

Part 7—Identity or Privity of the Defendants in the Two Suits is Established.

The Court of Appeals of the Second Circuit in its first decision says (emphasis ours):

“It may be assumed for the purposes of the motion only, that Wagner has assumed the chief conduct of this case and that the defendant remains only formally represented” (R., 145-6).

“We may assume that Wagner’s intervention here is of such a kind as would create a good estoppel against him in any subsequent case” (R., 147).

“While we do not hold that the decree is an estoppel, taken strictly, even as to those toys and manuals [which Wanamaker procures from Wagner], we may even suppose that, Wagner having now intervened, it is such” (R., 147).

Thus, while the Court of Appeals did not so expressly “hold,” it was evidently of opinion that identity or privity of defendants is established. But in anticipation of repetition of respondent-defendant’s contention that “identity of parties, actual or in privity, does not exist,” we will refer to the proof.

Respondent’s sworn answers to interrogatories (R., 118-19) are alone conclusive and sufficient. It is admitted therein that—

“The American Mechanical Toy Company, of Dayton, Ohio, has given defendant assurances to hold defendant harmless from any loss or liability by reason

of the sale by defendant of American Model Builder Constructional Toys" (Ans. 2, R., 121);

that Messrs. Toulmin & Toulmin and Mr. Williamson,

"of counsel in this case, are acting in such capacity, not by being retained by this defendant directly, but by reason of said assurances to hold defendant harmless" (Ans. 3, R., 121);

that Messrs. Toulmin & Toulmin

"are general patent counsel for The American Mechanical Toy Company and are paid by that Company" (Ans. 4, R., 121);

that this suit

"is being defended * * * pursuant to the assurances of The American Mechanical Toy Company to hold the defendant harmless by reason of the purchase and sale of toys manufactured by The American Mechanical Toy Company" (Ans. 7, R., 121);

and that "the management" of the defense of this suit "is in the hands of * * * Toulmin & Toulmin, general patent counsel for The American Mechanical Toy Company," and two other gentlemen (Ans. 1, R., 120), one, Mr. Williamson, being "an associate counsel under and on behalf of Messrs. Toulmin & Toulmin," and the other, Mr. Johnson, being "a regular attorney of defendant" (Ans. 5, R., 121).

Messrs. Toulmin & Toulmin signed the answer herein (R., 30), opposed the motion for preliminary injunction (R., 115), signed the appeal (R., 122-123), opposed petitioner's motion for judgment (R., 146), and are counsel in this Court; they have also been attorneys for defendant Wagner (trading as The American Mechanical Toy Co.) in the Ohio suit throughout all the proceedings therein.

As thus appears by sworn admissions of respondent Wana-maker, Wagner (The American Mechanical Toy Company),

defendant in the Ohio suit, is defending this suit, is the *real* defendant herein under assurances to the nominal defendant Wanamaker to hold it harmless by reason of its dealings in the product in controversy; and the active defense of this suit has been conducted throughout by Messrs. Toulmin and Toulmin, acting herein, and also in the first suit, as attorneys for the manufacturer Wagner.

We also note the affirmance by Wagner, the real defendant herein, by statements certified by counsel H. A. Toulmin to be "well and truly founded both in fact and law" (R., 176), in his second petition for rehearing in the first case, that "by the pleadings herein and defendant's sworn admissions, it is established that * * * *the parties in interest are the same (or in privity)*" (R., 175).

In the Wanamaker-Structo-Suit (discussed in Part 9 of this brief) the brief of respondent Wanamaker opposing petition to this Court (in No. 1054, October Term, 1918) for writ of certiorari, says of the suit at bar, that "It appeared that one Francis A. Wagner had an interest in the suit" (p. 2); and that although in this first suit "the named defendant is John Wanamaker. * * * Francis A. Wagner was involved in the defense, as he had agreed to hold Wanamaker harmless and had taken a share in the defense" (p. 3). Such statements, made in May, 1919, are confirmatory of the admissions of the answers to interrogatories.

Rock Springs Distilling Co. vs. W. A. Gaines & Co., 38 S. C. R., 327; 246 U. S., 312; 62 Law Ed., is strikingly in point. It is an unfair competition and trade-mark case, taken up on *certiorari* after the Court of Appeals had denied petition for rehearing (Record therein, Vol. 1, pp. 337, 387). One of the issues was *whether there was privity between the defendants* (or their successor The Hellman Distilling Co.) *in a first suit and the defendant in a second suit*.

The Supreme Court reversed the Court of Appeals (226 F. R., 536) which had reversed the District Court (202 F. R., 989). The latter dismissed the bill, holding a prior

judgment conclusive against plaintiff in its attempt to thus relitigate the same issues, such defense having been interposed by plea. In the first suit, in the Eighth Circuit, against Hellman & Hellman, the latter's right to use the trade-mark on straight whiskey was established. The plaintiff then brought suit in the Sixth Circuit against the Gaines Co., who manufactured blended whiskey on which the mark was used. It was established that the Gaines Co. was in privity with the Hellmans, "manufacturing whiskey under contracts of agency for them or their successors and neither have nor claim any right except through such contracts" (statement of facts, 38 S. C. R., 328), and further (C. C. A.'s decision 226 F. R., 531, 536, 537), that the Gaines Co. was so manufacturing "*under a bond of indemnity*" from the Hellman Co. "*to protect them against plaintiff's claims.*"

The Court of Appeals held that privity had been established between the defendants in the two cases, but decided in favor of plaintiff on another theory. The Supreme Court—observing that "the issues in that case were the same as those in the present case as to the right of the use of the word 'Crow with any of its qualifications,'" remarked that the Court of Appeals had

"refused to decide * * * that the defendants in this suit were not in privity with the defendants in the other and it rejected the contention that use of the trade-mark established in the Hellman Co. in the blended whiskey was not an adjudication of the right to use it upon a straight whiskey. In the ruling on both contentions, we concur" (38 S. C. R., 329).

The Court of Appeals had said (and the Supreme Court concurred)—

"we first meet the objection that there is no privity of parties. We must think that privity sufficiently appears. The parties defendant in that case, at the time of its commencement, had been the two Hellmans, who were partners. Pending the suit, one partner died, and his administrator, Kahn, was substi-

tuted. Later, but still pending the suit, the entire business of the Hellman Bros. was transferred to the just organized corporation, the Hellman Distilling Company * * *. The corporation was therefore a party to the suit at the time of the final decree. During the existence of the partnership of Hellman Bros., it had leased the distillery of the Rock Spring Distilling Company, near Owensboro, Ky., and as lessee it had manufactured whiskey there in 1904.

"The Hellman Distilling Company, as such lessee, continued such manufacturing in 1905, 1906 and 1907. In 1909 all this remained in bond in the distillery warehouse. In 1909 and after the final decree in the Missouri case, the Hellman Distilling Company contracted with the Rock Spring Company, and with Rosenfield, as its lessee, for the further manufacture of whiskey, and for the bottling in bond of the 1904 stock, and for the use upon such bottles of the brand or label 'Hellman's Celebrated Old Crow.' *The Hellman Company gave to defendants a bond of indemnity to protect them against plaintiff's claims; in using this brand or label, defendants are acting for and in behalf of the Hellman Distilling Company; and the right of that company to use this brand on this article is the very thing in controversy. The former decree must be given the same force and effect as if the Hellman Distilling Company were the nominal, as it is the real, defendant here. Kessler vs. Eldred, 206 U. S., 285; 27 Sup. Ct. 611; 51 Law Ed., 1065*" (226 F. R., 536-537; emphasis ours).

In the case at bar, Wagner (The American Mechanical Toy Co.) gave to Wanamaker assurances to hold it harmless against the claims of petitioner-plaintiff, and is here defending Wanamaker because of that obligation. Therefore, the Ohio decree "must be given the same force and effect as if" Wagner (The American Mechanical Toy Company) was "the nominal, as it [he] is the real defendant here."

In "contemplation of law" (as the decisions say) the parties to the two suits are the same.

Part 8—Identity of Subject-Matter and Issues in the Two Suits is Admitted and Otherwise Established.

The failure of the Court below to enforce and grant any relief herein upon the basis of the prior judgment in the Ohio suit, turned upon this question. In its first decision (R., 145) denying petitioner-plaintiff's motion for "decision on the merits," the Court of Appeals (Rogers, Learned Hand and Mayer, decision by Judge Learned Hand) says it is "apparent that some of the issues [here] are different from those litigated in Ohio, they involve not only the defendant's [Wanamaker's] right to sell Wagner's toys and manuals but any others it may procure elsewhere" (R., 147), and that "unless the issues here litigated were [are] co-extensive with the issues litigated in the Ohio suit" (R., 147), petitioner-plaintiff is not entitled to the relief asked.

(A) It is incontrovertible, and admitted by the parties and the Court below, that the gist of the complaint herein is against Wanamaker's dealings in the *same* American Model Builder product as involved in the Ohio decree.* No more is necessary, regarding sameness of subject-matter and issues, to establish petitioner's right to both preliminary and permanent injunction and an accounting against Wanamaker, or other adequate relief, with respect to its dealings in the American Model Builder product, regardless of what other product may be involved in this cause. With such facts duly and properly established (as they are here and were in the Court of Appeals below) the Ohio defendant manufacturer, or those in privity with him, should not be permitted to relitigate the matters conclusively adjudicated

*It further appears, though that is not essential to the conclusiveness of the Ohio judgment, that the answer in the case at bar sets up no new defenses in alleged invalidation of plaintiff's asserted rights that were not set up and relied upon in the Ohio suit with reference to the *same* causes of action of unfair competition and infringement of two registered copyrights.

against them in the Ohio suit, and should not be permitted to further contest this cause in so far as it concerns said American Model Builder product (the only product named in the bill of complaint). That is in reality all the relief plaintiff has ever sought in this suit. Petitioner-plaintiff should not be put to further expense, delay and trouble, on that score, but should be afforded prompt relief. Petitioner's right to such relief is not precluded, cannot be denied, and should not be delayed, even if the issue in the present suit extends to some other toy, because, as has been so frequently affirmed by this Court (emphasis ours):

"The general principle announced in numerous cases is that *a right, question, or fact distinctly put in issue, and directly determined by a court of competent jurisdiction, as a ground of recovery, cannot be disputed in a subsequent suit between the same parties or their privies*; and even if the second suit is for a different cause of action, the right, question, or fact once so determined must, as between the same parties or their privies, be taken as conclusively established, so long as the judgment in the first suit remains unmodified. This general rule is demanded by the very object for which civil courts have been established, which is to secure the peace and repose of society by the settlement of matters capable of judicial determination. Its enforcement is essential to the maintenance of social order; for the aid of judicial tribunals would not be invoked for the vindication of rights of person and property if, as between parties and their privies, conclusiveness did not attend the judgments of such tribunals in respect of all matters properly put in issue, and actually determined by them." *Southern Pacific R. R. Co. et al. vs. United States*, 18 S. C. R., 18, 27; 168 U. S., 1; 42 Law Ed., 355.

Applying that principle to the case at bar—a "court of competent jurisdiction" (the Court of Appeals, Sixth Circuit) has "determined * * * as a ground of recovery"

in the Ohio suit that the American Model Builder product constitutes unfair competition and copyright infringement with respect to rights of which plaintiff is the exclusive owner. Hence the "rights, questions, or facts" thus distinctly put in issue in the Ohio suit, "CANNOT BE DISPUTED IN A [THIS] SUBSEQUENT SUIT BETWEEN SAME PARTIES OR THEIR PRIVIES," and that is so regardless of what other rights, questions, or facts may also be in issue in this case. That principle would apply here even were the present suit for "a different cause of action" from that in the Ohio suit; *a fortiori*, it is so with the causes of action *identical in the two suits*. The Court of Appeals has held, however (and mistakenly so), that the issues extend to Wanamaker's right to deal in other unnamed and unknown toy products, and hence that the issues in the two suits are not "co-extensive." Upon that theory said Court denied *any* relief, even as to Wanamaker's dealings in the American Model Builder product, and in so doing has erred even if it be correct in saying that the issues are not "co-extensive." Certainly the principles of *res adjudicata* and estoppel are not to be defeated, as to issues and subject-matter admittedly common to two suits, by the fact that the issues in the later suit may extend to matters beyond the issues of the first suit.

(B) Petitioner insists that the entire issue herein has never been, was not at the time of the decisions of the Court of Appeals below, and is not now, any more extensive than the issue in the Ohio suit; and hence, that the issues in the two suits *are* "coextensive" within the meaning of that term as used by the court below. In other words, any contention that this cause presents an issue which goes beyond respondent Wanamaker's dealings in the American Model Builder product, is purely theoretical, unsupported by the facts and record (as will presently be shown by a review thereof), and therefore raises only a moot question.

In passing to a review of the record in substantiation of the foregoing contentions, it is pertinent to inquire, what determines the issues? We refer to issues of fact, for this discussion does not concern issues of law.

Equity Rule 25, as to contents of bill of complaint, provides that the bill shall contain, amongst other things, a "statement of the ultimate *facts upon which the plaintiff asks relief*." Equity Rule 30 provides for an answer "specifically admitting or denying or explaining *the facts upon which the plaintiff relies*." Equity Rule 31 provides that "the cause shall be deemed at issue upon the filing of the answer," etc. Obviously, the issues thus joined do not concern facts other than those stated in the bill. In other words, in the case at bar, with the statement in the bill "of the ultimate facts upon which plaintiff asks relief" specifically directed and confined (as we are about to show) to Wanamaker's dealings in American Model Builder product, the issues joined do not extend to other facts concerning Wanamaker's dealings in other toys.

The only attempt of the Court of Appeals to support its assertion that "it is apparent that some of the issues are different," is its further statement that the issues here "involve not only the defendant's [Wanamaker's] right to sell Wagner's toys and manuals, but any others which it may procure elsewhere" (R., 147). In its second decision (R., 149) reversing the order granting preliminary injunction, said Court (Ward, Rogers, and Learned Hand, decision by Judge Ward) makes no mention of the effect to be given the Ohio suit decree. Judge Learned Hand, in his dissent to that decision (R., 151), says, "so far as the facts appear at present it [Wanamaker] is only buying its toys of Wagner and I think the plaintiff has established its right by the mere force of that decree [in Ohio] to prevent Wanamaker from inducing Wagner to violate it." But the Court of Appeals nowhere

attempts any reference to the bill of complaint or other part of the record in explanation of its ruling. An examination of the record not only fails to substantiate what is alleged to be "apparent," but establishes the contrary, to wit, that the issues herein are confined to Wanamaker's dealings in "American Model Builder" product; that the issues in this case are not only *essentially the same* (which the authorities recognize as sufficient), but are *identical* with those in the Ohio suit; and that in holding otherwise the Court of Appeals erred, as urged in plaintiff's petition to that Court for rehearing (R., 152).

The verified *bill of complaint* (paragraph I, page 2 of Record) charges unfair competition and copyright infringement (also patent infringement now eliminated*) by Wanamaker's dealings in "American Model Builder" with no suggestion that the complaint extends to any other article dealt in by Wanamaker. Paragraphs II to IX, inclusive, embrace allegations concerning plaintiff's rights, product, business, etc., and make no mention of Wanamaker's acts.

Paragraph X (R., 8) of the bill charges that Wanamaker has been guilty of infringing "your orator's registered copyrights" and "of unfair competition with your orator in the respects hereinafter set forth," which "respects" are all exclusively specific to "*American Model Builder*."

Paragraph XI (R., 8, 9) next defines "defendant's said wrongful acts and unfair competition" to "consist of" Wana-

*As hereinbefore stated, the charge of patent infringement was withdrawn (R., top p. 146) from this suit before the Court of Appeals below rendered either of its decisions. Therefore, none of the allegations of the bill concerning the patent has any bearing upon the theory that some of the issues here are different from those in Ohio, because at the time the Court of Appeals stated that theory, the issue as to the patent had been eliminated. The fact is, however, that all allegations concerning patent infringement are strictly confined to Wanamaker's acts concerning the *American Model Builder* product, and none other.

maker's dealings in (a) "outfits" "under the trade-name '*American Model Builder*' "; (b) "separate parts such as contained in *American Model Builder* outfits"; and (c) in Wanamaker's "putting out in conjunction with the aforesaid outfits, certain books of instruction, entitled, for example, '*American Model Builder Complete Manual of Instruction*.'" Defendant's patent infringement is next defined (R., 9) as Wanamaker's dealings in "the flanged metallic plates"* "separately and as parts of each outfit in the progressive system of *American Model Builder* outfits."

Defendant's copyright infringement is next defined in paragraph XI of the bill (R., 9) as consisting in "defendant's aforesaid sale and distribution of *American Model Builder* books and printed matter." It is next charged that "defendant has advertised and offered said imitation and counterfeit *American Model Builder* outfits * * * as interchangeable with * * * Meccano * * * and * * * has offered said accessory *American Model Builder* outfits as standardized with * * * Meccano outfits; that defendant is offering "*American Model Builder* outfits" at retail at prices lower than those on Meccano, and has caused confusion and the belief that "said *American Model Builder* product is that of your orator" (R., 9-10). In concluding its allegations, all restricted to Wanamaker's dealings in *American Model Builder* product, said paragraph XI makes profert of "Specimens of Defendant's said *American Model Builder* outfits, Manuals of Instruction and other printed matter."

Paragraph XII (R., 10) sets up Wanamaker's earlier dealings in Meccano, followed by substitution of the counterfeit "*American Model Builder*" product. No mention or suggestion is made of any other product. Paragraph XIII (R., 11) alleges large damage resulting "by reason of the wrong-

*These plates are among the many metallic parts which are collected together in an "outfit"—said plates are illustrated on yellow sheet W preceeding page 173 of the record.

ful acts herein complained of," with no suggestion that such damage resulted otherwise than from Wanamaker's acts in conjunction with *American Model Builder* product.

Paragraph XIV sets up the Ohio suit, involving the acts of the manufacturer, Wagner *et al.*, in conjunction with

"the said *American Model Builder* product, and the books and other publications connected therewith—the same as the *American Model Builder* products, books, publications, etc., which the defendant herein, John Wanamaker, is hereinbefore charged to have offered for sale, sold, advertized, and distributed in violation of your orator's rights as aforesaid" (R., 11).

Here is a distinct and affirmative identification of the charge and issue against Wanamaker with the same *American Model Builder* product as involved in the Ohio suit against Wagner *et al.*

From such review of all those portions of the bill which specify facts embracing the acts complained of, it is apparent that such facts and acts are confined to Wanamaker's dealings in *American Model Builder* product, "the same as the *American Model Builder* products" at issue in the Ohio suit. Wanamaker's own counsel, in a brief* before this Court in a companion suit (the Wanamaker-Strueto suit, *infra*), correctly say of the present suit that (emphasis ours) "the acts specifically complained of related [relate] to the merchandizing of said toy [*American Model Builder*] only"; that "the issue * * * is whether the defendants [*Wanamaker*] have committed a fraud * * * by *palming off* the *American Model Builder*"; and that said "issue depends entirely upon the particular facts to be presented" in conformity with the allegations of facts in the bill.

Contrary to the usual practice of praying for relief in general terms, even the prayers of the bill of complaint herein

*Brief of respondent Wanamaker opposing petition for certiorari in No. 1054, October Term, 1918.

specifically point to the *American Model Builder* product. Thus, the first prayer asks perpetual injunction against Wanamaker's unfair competition in dealing in "any model builder or toy outfit such as '*American Model Builder*,' or any individual parts or units such as contained in said outfits, and any books or manuals of instruction such as included with said *American Model Builder outfits*," etc. The first prayer further asks perpetual injunction against copyright infringement by Wanamaker's dealings in "any of the *aforesaid* books, manuals, or circulars such as have been included with said *American Model Builder* outfits or otherwise distributed or disseminated."

But, as stated in the aforesaid Wanamaker brief in the Wanamaker-Structo suit, *infra*, the issue "depends entirely upon the particular facts [alleged and] to be presented" and is not determined by the prayers for relief or by generality in the terms thereof. And in the last analysis, the issues are determined by the evidence introduced, and certainly any trial court, upon the basis of the allegations of the bill herein, would exclude evidence not restricted to Wanamaker's dealings in *American Model Builder*.

Defendant's answer (R., 16-30), comprising fifty-six enumerated paragraphs, repeatedly confirms the limitation of the complaint to Wanamaker's dealings in the *American Model Builder* product, and none other. In paragraph 4 (R., 17), Wanamaker

"admits that it deals in and sells toy outfits known as the '*American Model Builder*' manufactured by *The American Mechanical Toy Company of Dayton, Ohio*, and also deals in and sells separate parts thereof and puts out instruction books, catalogs and other literature in connection therewith" (emphasis ours).

Paragraph 19 (R., 19) avers "that *F. A. Wagner*, of *The American Mechanical Toy Company*, got up the 1912 man-

ual complained of"; and paragraphs 20, 21 and 22 (R., 19-20) repeatedly assert that the catalogs, manuals, and other printed matter, put out by defendant Wanamaker were productions of F. A. Wagner. In paragraphs 38, 41, and 42 (R., 23-24), Wanamaker denies that its dealings in "*American Model Builder* outfits," "separate parts of *American Model Builder* outfits," and that its "putting out with its *American Model Builder* outfits certain instruction books," etc., constitute unfair competition. Paragraph 43 (R., 24) denies that "*American Model Builder* books" constitute infringements of plaintiff's copyrights. In paragraph 50 (R., 26), "further answering, defendant [Wanamaker] avers that his *toy outfits complained of* have always been sold under the trade-name of *American Model Builder*." Thus there was no uncertainty on the part of Wanamaker that the complaint concerned only his dealings in that one named product. In paragraph 56 (R., 29) of the answer, with reference to the Ohio suit, defendant Wanamaker

"admits that complainant brought suit against the manufacturer of the *American Model Builder* (the *toy complained of herein*), in the Southern District of Ohio, Western Division, upon the same issues as involved herein" (emphasis ours).

Plaintiff's affidavits on motion for preliminary injunction herein, show (for example, R., 59) that—

"certain exhibits used in said Ohio case, to wit, Plaintiff's Exhibit 8, No. 3 outfit *American Model Builder*; Exhibit 9, Manual of Instruction of *American Model Builder*; and Exhibit 10, Manual of Instruction of *American Model Builder*, were purchased in New York at the store of said John Wanamaker, New York, defendant herein;"

also (for example, R., 82) that certain exhibits of *American Model Builder* product introduced on the motion herein, are

duplicates of exhibits in said Ohio suit which were purchased from defendant Wanamaker; and this respondent does not deny. Thus, Exhibit 15 herein is a duplicate of American Model Builder No. 2 outfit, which was purchased from defendant Wanamaker and used as plaintiff's Exhibit 15 in the Ohio suit. Likewise, Exhibit 10 herein is a duplicate of an American Model Builder 1912 Manual, which was purchased from the defendant Wanamaker, and used as Exhibit 10 in the Ohio suit.

Wagner manufactures the product and sells at wholesale. Wanamaker buys it wholesale and sells at retail. The product itself being unlawful, it constitutes unlawful competition and copyright infringement for any one to deal in that product. Hence, as against Wagner, who makes and sells at wholesale, and Wanamaker, who sells the same product at retail, there is no difference of issue, no difference which extends the issue against Wanamaker *beyond that against Wagner*.

Respondent-defendant's affidavits on preliminary injunction motion, particularly the affidavit of the manufacturer Wagner, who has assumed the defense of this suit on behalf of Wanamaker, affirmatively assert *the issues in both suits to be the same*. Thus Wagner says (emphasis ours):

"I am familiar with the issues in this Ohio suit and I have read the moving papers in this New York suit and find *the issues in both suits to be substantially the same*, except that John Wanamaker of New York, one of our customers, is made defendant in said New York suit. * * * In that case [the Ohio suit] I was sued as a manufacturer. In this case Mr. Wanamaker is sued as a merchant who is a customer who buys and sells *the same goods or toy outfits that are involved in the Ohio suit* (R., 93).

"I further inform the Court that * * * this present action * * * is an attempt to try by

this injunction motion *the issues which now await determination by the Court of Appeals for the Sixth Circuit*" (R., 94).

As hereinbefore stated, upon the institution of this Wanamaker suit the defendants, Wagner *et al.*, in the Ohio suit made a motion in the Court of Appeals for the Sixth Circuit to enjoin the prosecution of this suit. That motion, after reciting the giving of a \$50,000 bond to supersede an injunction in the Ohio suit, states that the present suit is

"against John Wanamaker, a customer of the appellant manufacturer, who purchased toy outfits from said manufacturer since said supersedeas bond was given, and which toy outfits are the same in kind as those involved in this [Ohio] action" (R., 113). (Emphasis ours.)

The Wagner affidavit in support of said motion says (emphasis ours) :

*"On the 9th instant [Dec., 1916] Meccano Limited, the plaintiff in this Ohio action, * * * instituted an action [this suit] against said John Wanamaker of New York * * * upon the same issues as involved in this [Ohio] suit, save only that John Wanamaker was made defendant instead of the Ohio defendants * * * the institution of said suit against John Wanamaker * * * is an attempt on the part of plaintiff herein to * * * sue John Wanamaker, our customer, and to enjoin him from selling and dealing in the very identical toy outfits to make and sell which we received authority under and by virtue of said supersedeas bond"* (R., 114).

In other words, the Ohio defendants, Wagner *et al.*, correctly stated it to be the fact, that the present suit concerns the *"very identical"* American Model Builder product and is *"upon the same issues"* as involved in the Ohio suit.

The district court (Judge A. N. Hand) in its decision herein (R., 115) granting preliminary injunction, found the Ohio suit to be "against the manufacturer of the mechanical constructional toy involved here," "*upon the precise issues involved in this cause* * * * brought against a customer of the defendant in that case."

In his second petition for rehearing in the Ohio suit, after the decisions of the Court of Appeals in this suit, Wagner (The American Mechanical Toy Co.) and his same counsel (Messrs. Toulmin & Toulmin) who are defending this suit for Wanamaker, state that the "*issues in said [this] case in the Second Circuit were the same as in this [the Ohio] case*" (R., 174), and quote with approval from one of plaintiff's briefs herein the statement that—

"it is established that there exist, in said case in the Sixth Circuit * * * and in the case at bar, the following five identities * * * (2) *the subject-matter is the same* * * * (4) *the issues are the same*" (R., 175). (Emphasis ours.)

The petition including these statements is certified by Mr. H. A. Toulmin (R., 177) as being "well and truly founded both in fact and in law."

In further confirmation of the identity of issues in the two suits, we refer to the hereinbefore mentioned action of the district court (the same Judge Mayer who had previously sat on the Court of Appeals, R., 145, when it decided that "some of the issues are different") in entering a decree herein on defendant's motion dismissing the bill "as to the charge of unfair competition." If there were, in fact, issues relating to toys other than those obtained by Wanamaker from Wagner, Judge Mayer would not have ignored such issues by entering such a decree.

In respondent Wanamaker's brief on petitioner's motion to advance the hearing in this Court, it is correctly stated that "The *same* toys or articles are involved in both of these

suits, this New York suit and the suit in Ohio" (p. 2 of Brief).

In the aforesaid Wagner mandamus proceeding in this Court (29 Original, October Term, 1918), the petition—signed "Francis A. Wagner and The Strobel and Wilken Co., by H. A. Toulmin, H. A. Toulmin, Jr., Counsel; The American Mechanical Toy Co., by E. H. and W. B. Turner, Counsel"—correctly states that "*the issues* [in this Wanamaker suit] *were the same* as those involved in this earlier suit against your petitioners [Wagner *et al.*]" (petition, p. 12), and that "the same plaintiff (Meccano Limited) has brought to this Court (in this Wanamaker suit) the *same subject-matter* and the same questions of law to be decided here (in this Ohio suit)" (petition, p. 14).

It has been suggested that "Wanamaker must have its day in court upon its own right to make and sell the toys or to buy them from others" than Wagner (dissenting opinion, R., 151), and that "Wanamaker is entitled to make an independent defense" (respondent's brief below). There are several conclusive answers.

(1) Wanamaker has voluntarily *relinquished* his original right to make an "independent" defense, has committed the defense of this suit to the Ohio defendant, Wagner, and Wagner has assumed it. By such acts of Wanamaker and Wagner, they are (as the decisions say) "in contemplation of law the same." Wagner has become the real defendant herein, subjecting this suit to all the consequences of that status and to the full effect of the Ohio judgment. The question raised concerning Wanamaker's day in court, and Wanamaker's right to make an independent defense, thus become moot. The outcome of this present suit can make no pecuniary difference whatever to respondent Wanamaker. Whether petitioner wins or loses, Wanamaker can obtain no more of Wagner's infringing product (the subject of this

suit), the Ohio decree (R., 139) and injunction (R., 143) cutting off the source of supply; and whether the accounting in the Court below shall give petitioner a large recovery or a small one, the Ohio *manufacturer* Wagner is bound to hold Wanamaker harmless.

(2) Whatever *Wanamaker's* right to "its day in court upon its own right to make and sell toys and buy them from others [than Wagner]," the Ohio judgment is conclusive against Wanamaker-Wagner as to Wanamaker's dealings in the American Model Builder product. There is no reason for postponing full relief to petitioner-plaintiff on that score.

(3) The issues herein relate exclusively to Wanamaker's dealings in the American Model Builder product and do not bring into this controversy Wanamaker's making of its own toys and selling them, or Wanamaker's dealings in toys other than those procured from Wagner (The American Mechanical Toy Company).

Had the manufacturer prevailed in the first suit, establishing immunity for his American Model Builder product from interference by further suit, that judgment could have been pleaded as an estoppel in this second suit against the customer on the same product. A test of estoppel is *mutuality*. Had the bill in the first suit been dismissed by the Ohio court, can it be doubted that the Ohio defendant, Wagner, would have at once asserted privity and at once have been entitled to a dismissal of this Wanamaker suit which said Wagner (The American Mechanical Toy Co.) is openly defending at his own expense under an avowed agreement to hold the nominal defendant (Wanamaker) harmless (*Kessler vs. Eldred, infra*). And, if so, then from the mutuality of estoppel the decision in Ohio adverse to the manufacturer should be followed by a decision adverse to him here.

**Part 9—Second Wanamaker New York Suit on "Structo"
Product Confirms Limitation of Issue Herein to
American Model Builder Product.**

A second unfair competition suit against Wanamaker, because of its dealings in another product, is also most significant on the point of limitation of the issue of the present (first) suit to Wanamaker's dealings in American Model Builder product.

After the decision herein of the New York District Court of January 9, 1917, finding the Ohio suit to be "upon the precise issues involved in this case [the suit at bar]" (R., 113) and granting preliminary injunction, and while Wanamaker was under said injunction (R., 117), it (Wanamaker) offered for sale and sold the "Structo" toy building product, manufactured by the Structo Manufacturing Company, of Freeport, Ill. Had the present first suit embraced Wanamaker's dealings in toys other than the American Model Builder, then obviously a second suit against Wanamaker on the Structo product was unnecessary and superfluous. But in recognition and confirmation of the fact found by the District Court (and asserted by Wagner in the Ohio suit, in his efforts to enjoin the present suit), that the issue of the present suit is confined to Wanamaker's dealings in American Model Builder, another suit against Wanamaker became necessary. Accordingly, on January 22, 1918, petitioner-plaintiff (Meccano Limited) filed the second suit in the Southern District of New York. We will designate it the "Wanamaker-Structo suit." A certified transcript of the record therein is on file in this Court in connection with a petition for certiorari (denied) in No. 1054, October term, 1918. The bill (see said transcript of record) charges (par. 1) that Wanamaker "deals in certain toy-building outfits known as 'Structo' and also separate parts * * * and * * * Manuals of Instruction," etc., and that "said acts by said defendant aforesaid constitute unfair competition with your orator with respect to its toy-building product

known as 'Meccano'"; and further charges (par. XIV and XV) that during the period it was under injunction (R., 117) in the case at bar, said Wanamaker offered for sale and sold (acts not denied by the answer) said

"'Structo' product aforesaid, said product counterfeiting and unlawfully imitating your orator's Meccano product in substantially the same manner as the latter was counterfeited and imitated by said American Model Builder product" (par. XV of bill).

Some time after such filing of the Wanamaker-Structo suit, the Court of Appeals rendered its decision holding that the issue in the case at bar applies to Wanamaker's dealings not only in American Model Builder, but in other toys as well, that is in "Structo." That decision left the relationship of the two Wanamaker suits in confusion and uncertainty, and therefore, pending this Court's decision herein on the disputed point of scope of issue, petitioner-plaintiff urged postponement of the trial of the Wanamaker-Structo suit. The New York District Court refused to stay the trial, and the Court of Appeals, Second Circuit, did likewise, thereby seemingly repudiating its own prior ruling that the issue here embraces Wanamaker's dealings in other toys such as "Structo." Thereupon, plaintiff applied to this Court for writ of certiorari (denied June 9, 1919) and for writ of mandamus (denied May 5, 1919). The brief of respondent Wanamaker opposing petition for writ of certiorari in the case at bar, represents to this Court that the issue in this suit is not limited to American Model Builder; in other words, embraces Wanamaker's dealings in "Structo." In direct conflict therewith, the aforesaid brief of the same respondent Wanamaker, opposing the certiorari petition in the Wanamaker-Structo suit, correctly represents to this Court that the two Wanamaker suits involve "different issues," the suit at bar concerning only Wanamaker's dealings in American Model Builder and the other suit Wanamaker's dealings in

"Structo." The last-mentioned brief—respondent's brief in No. 1054, October term, 1918,—says (emphasis ours):

"The facts pertinent to the application are briefly these:

"Petitioner heretofore brought suit against the *named* defendant, John Wanamaker, New York, for alleged 'unfair competition,' arising out of the exploitation and sale by it of a toy known as the 'American Model Builder.' This suit is referred to as the 'First Wanamaker suit.' While the bill therein contained a general prayer for relief, *the acts specifically complained of related to the merchandizing of said toy ONLY.* It appeared that one Francis A. Wagner, the manufacturer, had an interest in the suit.

"Thereafter petitioner brought this suit (known as the 'Second Wanamaker Suit') against the *named* defendant, and while *the bill herein* also alleges 'unfair competition,' *it is based upon an entirely different state of facts from those in the 'First Suit,' the 'unfair competition' here alleged arising out of the merchandizing and sale of a different toy known as the 'Structo' toy* (p. 2).

"It is therefore respectfully submitted that the petition should be denied for the following reasons:
* * * 2. *The present case involves different issues from those involved in the 'first Wanamaker suit'*
* * * (p. 3).

"The issue in the 'First Suit' is whether or not the defendants have committed a fraud upon the plaintiff and the public by palming off the 'American Model Builder' as the product of the plaintiff. That issue depends entirely upon the particular facts to be presented.

"In this 'Second Suit,' the issue is whether or not the defendants * * * have been guilty of fraud by palming off the 'Structo Toy' as the product of the plaintiff. This again depends entirely upon the particular facts, and *these facts must necessarily be different from those to be presented in the 'First Suit.'* That this is so is clearly shown by the petitioner's action in bringing separate suits, and *the facts nec-*

sary to sustain the cause of action alleged in the 'Second Suit' could not possibly be proven under the bill in the 'First Suit,' because they are not alleged therein" (pp. 4, 5).

This Court—seemingly convinced of the correctness of such contentions of Wanamaker's counsel and the limitation of the issue in the present case to Wanamaker's dealings in American Model Builder (and hence the distinctness of issues in the two suits), and disapproving the theory (of the C. C. A. 2nd) extending the issue of the case at bar to Wanamaker's dealings in Structo—denied petitioner's applications for both writ of certiorari and writ of mandamus, and thus declined to stay the trial of the Wanamaker-Structo suit.

Thereafter, in July, 1919, said Wanamaker-Structo suit was amicably settled. By that settlement the Structo Manufacturing Co. (the manufacturer who supplied the product to Wanamaker) assumed (with the approval of plaintiff) all liability of Wanamaker arising from its dealings in the Structo product, this being shown by a paper entitled "Plaintiff's Approval of Transfer of Liability from John Wanamaker, New York, to the Structo Manufacturing Co.," printed as Appendix B hereto (verified copy filed with the papers). There was filed in the Court a "Stipulation *re* Party Defendant" (printed as Appendix C, verified copy with papers) substituting the Structo Co. for Wanamaker as defendant. And thereupon a final decree (printed as Appendix D, certified copy with papers) was entered, adjudicating plaintiff's rights, holding the Structo product to be unlawful on the ground of unfair competition, and waiving an injunction and an accounting.

Thus, the Wanamaker-Structo suit and all controversy between the parties hereto concerning Wanamaker's dealings in said Structo, have been amicably settled. Wanamaker's liability on that score has been finally disposed of, as authen-

tically appears from the papers just referred to. If the Court of Appeals was correct in holding, in effect, that (at the time of its decision) the issue herein extended to Wanamaker's dealings in *Structo*, then the aforesaid settlement has by act of both parties to the litigation, wrought a change in the status of the issue, a change which repudiates all *theory* that the issue herein *now* extends beyond American Model Builder, and a change which renders moot further dispute or argument based upon any such theory. If that amicable settlement took nothing out of the issue, then the Court of Appeals was in error in holding that the issues herein "involve not only the defendant's [Wanamaker's] right to sell Wagner's [American Model Builder] toys and manuals, but any others which it may procure elsewhere" (R., 147). If that settlement, consummated since the decisions below and since the grant of certiorari by this Court, did take something out of the issue herein, then this Court will dispose of this case with regard to such changed status, *i. e.*, restriction of the issue to Wanamaker's dealings in American Model Builder. In its recent decision in *Watts Co., Ltd., vs. Unione, etc.*, 39 S. C. R., 1, 2; in which other authoritative decisions are cited, this Court said (emphasis ours):

"Since the certiorari was granted, the relation of the parties to the Court has changed radically. Then, as earlier, the proceeding was one between alien belligerents in a court of a neutral nation. Now, it is a suit by one belligerent in a court of a co-belligerent against a common enemy."

"This Court, in the exercise of its appellate jurisdiction, has power not only to correct error in the judgment entered below, but to make such disposition of the case as justice may at this time require."

"And in determining what justice now requires the Court must consider the changes in fact and in law which have supervened since the decree was entered below."

In *Crozier vs. Krupp*, 224 U. S., 290; 32 S. C. R., 488, in reviewing (and reversing) by writ of certiorari a decree of the Court of Appeals, D. C., which reversed a decree sustaining a demurrer to and dismissing the bill in a suit against an army officer for infringement of a patent, this Court said (emphasis ours) :

"But we do not think under the conditions which presently exist, we are called upon to consider the correctness of the theory upon which the Court of Appeals placed its decision, or the soundness of the contentions at bar by which that theory is supported on the one hand or assailed on the other. We reach this conclusion because, since October 7, 1908, when the decision of the Court of Appeals was rendered, the subject to which the controversy relates was dealt with by Congress by a law enacted on June 25, 1910, 36 Stat. at L., chap. 423, p. 851." (32 S. C. R., 490.)

"Upon the hypothesis that the decree of the Court below, remanding the case for further proceedings not inconsistent with its opinion, was correct under the conditions existing when it was rendered, clearly, under the circumstances now existing, that is, the acquiring by the Government, under the right of eminent domain, as the result of the statute of 1910, of a license to use the patented inventions in question, there could be no possible right to award at the end of a trial the permanent injunction to which the issue in the case was confined." (32 S. C. R., 493.)

In the recent case of *Lindley vs. Denver*, 259 Fed., 83, 87, 88, the Court of Appeals for the Sixth Circuit said (emphasis ours) :

"Upon a writ of error, an appellate court will direct the entry of that order which should have been made by the trial court on the day when it entered the judgment under review; upon an appeal in equity, there is no such hard and fast rule; the appellate court will direct the order which ought to be made AS THE SITUATION EXISTS AFTER THE MANDATE GOES DOWN; and this leads to the steps which may naturally be here anticipated."

By the citation of these authorities, we are not urging that the status of this litigation has been changed; but we are urging that, regardless of whether or not there has been a change, this Court has full power and authority *now* "to make such disposition of the case as justice may at this time require."

Part 10—Recapitulation as to Established Identity of Issues in the Two Suits and Proposed Amendment and Disclaimer to Confirm Limitation of Issue Herein to American Model Builder Product.

This suit undeniably concerns the *same American Model Builder product* as was the basis of the Ohio judgment. Petitioner has established its right to both preliminary and permanent injunction and to an accounting concerning *that product*, and such relief should be promptly afforded. The issues in this suit concern in reality only *that product*, and hence are coextensive with the issues in the Ohio suit. The bill of complaint, in its statement of the ultimate facts upon which the plaintiff asks relief, is restricted to American Model Builder product. Defendant's answer confirms the limitation of the issue to *that product*. Plaintiff's affidavits concern only Wanamaker's dealings in *that product* with introduction of a few *exhibits thereof only*. Respondent's reply affidavits affirmatively assert the issues in both suits to be *substantially the same* and directed to "*the same goods or toy outfits*." The motion (and affidavit) of the manufacturer Wagner, before the Court of Appeals, Sixth Circuit, seeking to enjoin the present suit, assert the issues and product to be the same. The decision of the District Court herein found the Ohio suit to be upon the precise issues involved in this cause. Wagner's second petition for rehearing in the Ohio suit, certified by counsel (Mr. H. A. Toulmin) as being "truly founded both in fact and law," asserts that the issues and subject-matter in the two suits are the *same*. In respondent's brief in the Wagner mandamus proceedings before this

Court, said Wagner and his counsel (the same as here) represent the issues and subject-matter of the two suits to be the same.

The Wanamaker-Structo suit was filed because this first Wanamaker suit is restricted to Wanamaker's dealings in the American Model Builder. In opposing petition to this Court for certiorari to stay the trial of said Wanamaker-Structo suit, Wanamaker's counsel repeatedly represent to this Court that the subject-matter and issues of this first suit relate only to American Model Builder product and do not extend to Wanamaker's dealings in other products, such as Structo. Said Wanamaker-Structo suit and all controversy between the parties concerning Wanamaker's dealings in Structo have been amicably settled. If there has been any change in the status of this cause since the decision of the Court of Appeals below, and since the grant of writ of certiorari herein, eliminating from the issues herein acts of Wanamaker concerning toys other than American Model Builder and limiting the issues herein to that product, this Court will dispose of the case in view of such "changes in fact and in law which have supervened since the decree was entered below" (*Watts vs. Unione, supra*), and will do so without considering "the correctness of the theory upon which the Court of Appeals placed its decision" and regardless of whether said decision "was correct under the conditions existing when it was rendered" (*Crozier vs. Krupp, supra*).

If, upon the pleadings, the issues of this suit ever concerned other than the American Model Builder product, the parties hereto have long since by their acts aforesaid and their repeated limitative declarations, now restricted the issues to that one product, and none other. And certainly, should this case ever come to trial, neither party would be permitted to introduce evidence or raise an issue, concerning Wanamaker's dealings in any other product. If any such issue was ever presented herein (which petitioner denies), it has in *fact* been eliminated and disclaimed.

To add *form* to such limitation and disclaimer, and with the further object of avoiding needless argument and

dispute before this Court regarding what is now at best a moot question, to wit—the theory that the issues herein extend to Wanamaker's dealings in other than the same American Model Builder product that was involved in the Ohio suit—petitioner has proposed both an amendment of the bill of complaint and a disclaimer.

After the aforesaid amicable settlement of the Wanamaker-Structo suit, and in view thereof, petitioner, on or about September 6, 1919, moved the District Court “for leave to amend the bill of complaint herein * * * or, in the alternative, for leave to apply to the Supreme Court of the United States for permission to have such amendment entered in this Court” (see motion and amendment, certified copies filed with the papers). Such motion was made in the District Court, because, on August 20, 1918, that Court had entered an order (certified copy with the papers) directing that “all further proceedings herein be stayed” pending the Supreme Court's final disposition of the cause. The part of said amendment particularly in point* is the proposed addition to the bill of the following paragraph, to wit:

“XV. And your orator shows that in the present suit it complains solely of this defendant's actions in dealing in and handling the aforesaid American Model Builder product and manuals put out originally by the aforesaid Francis A. Wagner (trading as The American Mechanical Toy Company), and subsequently by said The American Mechanical Toy Company, a corporation; and your orator seeks relief against this defendant solely with respect to said American Model Builder product and manuals.”

The district court (Judge Mayer) denied the motion “without prejudice” (certified copy of decision filed with the papers), saying that “this court hesitates to take any

*The amendment also strikes from the bill all allegations concerning the patent now withdrawn from suit, and adds allegations concerning happenings in the Ohio suit since the bill was filed.

action expressing its views as to the merits of the motion for leave to amend, while the issues are pending in the Supreme Court," and stating that "plaintiff should, in the first instance, make such motion in the Supreme Court." The decision remarks that the motion is one asking it (the district court) to "permit the complaint to be amended so as to change the scope or extent of the controversy now pending in the Supreme Court," but petitioner respectfully submits that the issues herein do not in reality now go beyond the American Model Builder product, and that entry of the amendment would not change the "scope or extent of the controversy here pending," but would merely confirm by affirmative allegation a condition now existing and place that question beyond unnecessary argument and dispute.

The court below, having declined to "express its views" on the merits of the proposed amendment, there may be doubt whether this Court will do so in the first instance. But this Court may, it is respectfully submitted, permit and direct the entry of a written disclaimer (or the aforesaid amendment, as this Court may deem proper) of the same purport. Accordingly, respondent has been duly served with a proposed written disclaimer, and with notice* that at the hearing of this cause, petitioner will ask permission to submit such disclaimer, the same to be filed and entered in this Court, or in the courts below, as this Court may in its discretion direct. By said disclaimer the plaintiff, Meccano Limited,

"hereby disclaims and renounces and forever quit-claims in favor of John Wanamaker, New York, the above-named defendant, any and all remedy and relief and recovery of whatsoever nature which may or might be granted to said plaintiff under its Bill of Complaint herein, *except* in so far as the same relates to said defendant's handling or dealing in or selling or offering for sale the structural-

*The papers are printed separately as Petitioner-Plaintiff's Motion for Permission to Submit and File a Disclaimer.

toy product known as "American Model Builder" and the printed manuals and instruction books relating to the same, procured by said defendant from (originally) Francis A. Wagner (trading as "The American Mechanical Toy Co."), or from (subsequently) The American Mechanical Toy Co., an Ohio corporation, and in so far as the same constitutes unlawful competition with plaintiff's "Meccano" product and manuals, and in so far as the same constitutes infringement of plaintiff's registered copyrights No. 291,375, dated June 22, 1911, and No. 294,670, dated August 14, 1911."

Petitioner repeats that the issue herein never has extended beyond the American Model Builder product; and that, if upon the pleadings, the issue herein ever did embrace other products, it (the issue) has long since, in effect, been limited to said American Model Builder product, and will be in *form* so limited by the proposed disclaimer (or amendment). Upon the supposition that the issue has not, in fact and in effect, been heretofore so limited, said disclaimer will have that effect. Under the authorities hereinbefore cited, this Court may dispose of the case in view of any changes in fact and law brought about by such disclaimer, regardless of whether the decisions of the court below were correct under the conditions existing when they (said decisions) were rendered.

Certainly, respondent cannot complain of being thus relieved by disclaimer (or amendment) of liability except as to its dealings in American Model Builder product alone. And, again, we remark that whether or not the issues in this cause involve other toy products, said issues do undeniably involve the American Model Builder, and as to that product plaintiff is entitled, in view of the conclusiveness of the Ohio suit judgment, to both preliminary and permanent injunctions and to an accounting.

Part 11—Authorities.

(A) On the point of the conclusiveness of the Ohio decree to the case at bar, we have hereinbefore cited *Southern Pacific R. R. Co. vs. U. S.* and *Hart Steel Co. vs. Ry. Supply Co.*

Further reference to the *Hart Case* may be of convenience to the Court. The product in issue in the two suits there involved was a 5,000-ton lot of tie-plates manufactured by the Hart Company and sold by its agent, the Elyria Iron & Steel Co. The "first case" in the seventh circuit was against the manufacturer, The Hart Co.; while the "second case" in the sixth circuit was against the selling agent, the Elyria Co. A final judgment by the Court of Appeals in the second case in the sixth circuit was invoked by motion before the Court of Appeals as *res adjudicata* in the first case in the seventh circuit. The decision says:

"The Elyria Iron & Steel Company, the defendant in the Second Case, was a manufacturing corporation and was the owner of all of the capital stock of the Hart Steel Co., the defendant in the First Case, which was the selling agent of the Elyria Company, and Wood was its manager. The same defenses being relied on in the two cases * * *. On the 6th day of October, 1914, the first day of the next ensuing term of the Circuit Court of Appeals for the Seventh Circuit, the defendants in the first suit which was still pending undetermined, filed a motion praying that court to affirm the decree of the Circuit Court, upon the ground that all of the issues in the case had been fully and finally determined and adjudicated by the Circuit Court of Appeals of the Sixth Circuit in the Second Case * * *." (37 S. C. R. 506, 507.)

"With the identity of the subject-matter and issues of the two cases admitted, the privity of parties to them clear, and the question of the ruling effect of the decree of the Circuit Court of Appeals for the Sixth Circuit presented in an appropriate manner to the Circuit Court of Appeals of the Seventh Circuit, a court of co-ordinate jurisdiction, we cannot doubt that the latter court fell into error in not sustaining

the motion of the petitioners to affirm the decision of the Circuit Court. The defendants should not have been put to further expense, delay, and trouble after the motion was presented. The question is ruled by *Kessler vs. Eldred*, 206 U. S. 285, *Brill vs. Washington R. & E. Co.*, 215 U. S., 527, and *Russell vs. Place*, 94 U. S., 606.

"This doctrine of *res adjudicata* is not a mere matter of practice or procedure inherited from a more technical time than ours. It is a rule of fundamental and substantial justice, 'of public policy and of private peace,' which should be cordially regarded and enforced by the courts to the end that rights once established by the final judgment of a court of competent jurisdiction shall be recognized by those who are bound by it in every way, wherever the judgment is entitled to respect. *Kessler vs. Eldred, supra.*" (37 S. C. R., 507, 508.)

In *Kessler vs. Eldred, supra*, 27 S. C. R., 611; 206 U. S., 285; 51 Law Ed., 1065, Kessler had successfully defended a first suit; whereas in the case at bar the first suit has resulted in a judgment for plaintiff. In deciding that Kessler was entitled to enjoin the bringing of other suits against his customers as to the same product, the Supreme Court said:

"Leaving entirely out of view any rights which Kessler's customers have or may have, it is Kessler's right that those customers should, in respect of the articles before the court in the previous judgment, be let alone by Eldred, and it is Eldred's duty to let them alone. The judgment in the previous case fails of the full effect which the law attaches to it if this is not so. If rights between litigants are once established by the final judgment of a court of competent jurisdiction those rights must be recognized in every way, and wherever the judgment is entitled to respect, by those who are bound by it. Having, then, by virtue of the judgment, the right to sell his wares freely, without hindrance from Eldred * * *." (27 S. C. R., 613.)

In discussion of the Kessler-Eldred case in *Rubber Tire Wheel Co. vs. Goodyear T. & R. Co.*, 34 S. C. R., 403, 405; 232 U. S., 413, this Court remarks that the decree in the first suit "had the effect of entitling Kessler to continue the business of manufacturing and selling throughout the United States the same lighter * * * without molestation by Eldred through the patent," and that "the equity thus sustained sprang from the decree in the former suit between the parties," and that Kessler's right to make and sell, which has been "unsuccessfully challenged as an infringement was deemed to include the right to have others secure in buying that article, and in its use and resale."

Upon the same principle, the Ohio judgment establishes petitioner's right of immunity from further interference by Wagner, such as his defense of this suit.

In his dissent herein, Judge Learned Hand refers to Kessler *vs.* Eldred as "a case of somewhat the same character" as that at bar, further stating—

"It seems to me there is no substantial difference between Kessler's right in that case, which was his 'good-will' ('universitas'), and the specific right established in this case in the plaintiff's favor against Wagner. I dissent" (R., 152).

In its decision herein on plaintiff's motion for "decision on the merits," the Court of Appeals says:

"It might, for example, be held under an extension of the doctrine of Kessler *vs.* Eldred, 206 U. S., 285, that the purchase of toys and manuals from Wagner, which he had been enjoined from selling, if not in actual contempt of that decree, was at least in derogation of the plaintiff's rights established thereby, and thus a tort against it, regardless of defendant's personal rights to sell toys and manuals if bought from others or to manufacture them itself and sell them without the co-operation of Wagner" (R., 146-7).

The immunity of an article in the hands of a customer as the result of successful defense of a suit against the manufacturer, has been established in *Kessler vs. Eldred* and like cases. But the status of an article in the hands of a customer, after it has been held fraudulent and unlawful in a suit against a manufacturer, has not been directly decided by this Court.

Brill vs. Washington Ry. & Elec. Co., 30 S. C. R., 177; 215 U. S., 527, 54 L. Ed., 311. On appeal, the Supreme Court affirmed the Court of Appeals of the District of Columbia, which had affirmed the lower court in dismissing bill upon a holding of non-infringement of patent. This suit against a user was defended by the Peckham Mfg. Co., the vendor and successor by purchase to the Peckham Motor Truck & Wheel Co. In another suit by the same plaintiff (*Brill*) against the North Jersey Street Ry. Co., on the principal patent claim here relied upon, the C. C. A. held the claim void (134 F., 580), reversing the circuit court (125 F., 526) in that suit "said to have been defended by the Peckham Motor & Truck Co." This Court said:

"If the first Peckham Company was privy to the decree declaring the patent void, there would be great force in the argument that that decree established, as against the plaintiff, the right of the Peckham Mfg. Co. to make and sell the patented article, and that *the right ought to be recognized in a suit against its customer, defended by it.* *Kessler vs. Eldred*, 206 U. S., 285, 288, 289, 51 L. Ed., 1065, 1067, 1068, 27 Sup. Ct. Rep., 611." (Emphasis ours.)

Paraphrasing that language to the facts of the case at bar, the Ohio decree established, as against the defendant Wagner of the Ohio suit, the right of Meccano Limited to prevent the making and selling of the unlawful American Model Builder product, and that right ought to be recognized in a suit against Wagner's customer, defended by him.

Penfield vs. Potts Co., 126 F. R., 475, 479, 6th C. C. A. (Lurton, Severens and Richards, decision by Lurton) :

"Now it came to pass that the suit of Potts *et al. vs.* The Anderson Foundry and Machine Works was finally decided in the Court of Appeals for the Seventh Circuit before a final decree in this present suit, * * *. Thus the question in respect of the infringement of the third claim was in each of these two cases identical, and, if the appellants were privies with the Anderson Machine Company in such sense that they would have been concluded by a decree determining a question litigated upon the same evidence in each case, it must follow, from the mutuality of an estoppel, that the patentees who were plaintiffs in both cases would be also concluded, for an estoppel by judgment or decree must be mutual. * * * That the appellants did join * * * in the defense of that case, * * * and that their conduct in defending that case * * * was well known to the opposite party * * * is not denied. * * * *An estoppel by a decree exists, although the demand in the two cases is not the same, whenever the question upon which the recovery in the second case depends has been before decided, under like conditions, between the same parties or those in privity with them.* Southern Pacific R. Co. *vs.* U. S., 168 U. S., 1; 18 S. C. R., 18; 42 L. Ed., 355." (Emphasis ours.)

Sacks vs. Kupferle, 127 F. R., 569 (C. C., E. D. Mo., E. D.). There had been a first suit against a customer defended by the manufacturer, who was the defendant in this second suit.

"The claim and demand sued upon in that case were the same as those now involved in the present case. The parties were, in contemplation of law, the same in that case as are now involved in this case. It is of no legal significance that the defendant's factor or agent was the nominal party in the Massachusetts case. The facts are * * * that the de-

*defendant Kupferle * * * manufacturer * * **
*undertook the full defense. * * ** Accordingly,
 the final judgment rendered in the Massachusetts
 case on the merits was a 'finality as to the claim or de-
 mand sued on, concluding parties and those in privity
 with them, not only as to every matter which was of-
 fered and received to sustain or defeat the claim or de-
 mand, but as to any other admissible matter which
 might have been offered for that purpose.' *Crom-*
well vs. The County of Sac., 94 U. S., 351." (Em-
 phasis ours.)

Warren Featherbone Co. vs. De Camp, 154 F. R., 198.
 In a first suit, the same plaintiff had sued the American
 Featherbone Company on the same patent and issue.
 De Camp, the defendant in this second suit, became agent
 for that company, and because of such privity, pleaded
 estoppel by the judgment in the prior suit. Referring to the
 successful defense of the first suit, the decision remarks:

"Under the decisions, that defense inures to the
 benefit of those in privity with the latter company"
 (p. 199). "Clearly defendant must have entered
 into the employment of said American Featherbone
 Company charged with knowledge of the then pend-
 ing suit. He was in position to win or lose with his
 principal, and his relation to that suit invested his
 case with that mutuality which is an essential ele-
 ment of estoppel" (p. 200).

Thus, *defendant having prevailed* in the prior suit, the
 Court dismissed the bill in the later suit on the ground of
res adjudicata; but *had defendant lost* in the first suit, the
 judgment therein would have been equally conclusive
 against him and his privy De Camp in the second suit.
 [That is the position of Wanamaker and Wagner in the
 case at bar.] Plaintiff would have been entitled to judg-
 ment on the merits in the second suit, leaving for determi-
 nation only the amount of profits and damages. [That is
 what Meccano Limited is entitled to in the case at bar.]

(B) In the language of Judge Learned Hand's dissenting opinion herein (R., 151)—“quit independently of how we [the C. C. A. 2nd] might ourselves view the transaction out of which the Ohio decree proceeded” and “regardless of what relief we might have given the plaintiff upon the state of facts [in the Ohio suit],” the Ohio decree should have been upheld and enforced in the present suit, both as to the grant of preliminary injunction and as to petition's motion for a decision on the merits carrying a permanent injunction and an accounting. In other words, the Ohio decree is conclusive and its correctness is not open to attack or consideration under the circumstances here present.

Forsyth vs. City of Hammond, 17 S. C. R., 665; 166 U. S., 506.

City of New Orleans vs. Citizen's Bank of La., 167 U. S., 371, 379.

Southern Pacific R. R. Co. vs. U. S., 168 U. S., 1; 18 S. C. R., 16; 42 L. Ed., 355.

Bates vs. Bodie, 28 S. C. R., 182; 245 U. S., 520; 62 L. Ed., —.

Case vs. Beauregard, 101 U. S., 688.

Hubbell vs. U. S., 171 U. S., 203; 19 S. C. R., 21.

In the *City of New Orleans case*, *supra*, this Court said:

“And the law of Louisiana is exactly in accord with the rulings of this Court; for, as said by the Supreme Court of Louisiana in *Heroman vs. Institute of Deaf and Dumb*, 34 La. Ann., 814:

“No principle of the law is more inflexible than that which fixes the absolute conclusiveness of such a judgment upon the parties and their privies.

“Whether the reasons upon which it was based were sound or not, and even if no reasons at all were given, the judgment imports absolute verity, and the parties are forever estopped from disputing its correctness. *Cooley, Const. Lim.*, 47 *et seq.*, and authorities there cited.

"Matters once determined in a court of competent jurisdiction may never again be called in question by parties or privies against objection, though the judgment may have been erroneous, and liable to, and certain of, reversal in a higher court. Bigelow, Estop. (3d Ed.) Outline, pp. lxi, 29, 57, 103."

(C) Regardless of identity of issues and identity or privity of parties in the two suits, the decision and decree of the Court of Appeals for the Sixth Circuit, a Court of co-ordinate jurisdiction, should have been accepted and enforced by the Court of Appeals for the Second Circuit as conclusively supporting the grant of preliminary injunction in this case, involving identically the same product as was held unlawful in the Sixth Circuit case.

National F. & P. Works vs. Oconto City W. S. Co.,
22 Sup. Ct. 111; 183 U. S., 216; 46 Law Ed., 157.

Hancock National Bank vs. Farnham, 20 S. C. R.,
506; 176 U. S., 610; 44 Law Ed., 619.

Penfield vs. Potts Co., 126 F. R., 475, 478, the 6 C. C. A. (Lurton, Severens and Richards, decision by Lurton).

In *Westinghouse Elec. & Mfg. Co. vs. Stanley Lumber Co.*, 133 Fed., 167, the 1st C. C. A., said:

"On several occasions we have explained our disposition to follow the decisions of the Circuit Court of Appeals in other circuits, recognizing them as carrying practically the same weight as our own. * * * The Supreme Court laid down a like practical rule in *Holbs vs. Beach*, 180 U. S., 383, 388, 389; 21 Sup. Ct., 409; 45 L. Ed., 586" (pp. 172, 173).

In *Gold vs. Newton*, 251 Fed., 821, the C. C. A., 2nd (Judges Ward, Hough and Manton), says (emphasis ours):

"Even if we admit all the foregoing, we remain of opinion that the decent and speedy administration of

the law does not permit a Court of (in this matter) substantially co-ordinate jurisdiction to (in effect) overrule or disregard all that has hitherto been done, [by the Court of Appeals of the District of Columbia] unless and except this *whole Court* is very sure of the matter after considering evidence that is not only persuasive but new" (p. 828).

This is by the same Court of Appeals for the Second Circuit which refused—not by the "whole court," for there was a dissenting opinion (R., 151)—to enforce in the case at bar the decision and decree of the Court of Appeals for the Sixth Circuit.

(D) The judgment in the Ohio suit should also be upheld and applied under the rule that the finding of a trial court, based upon testimony given in open court, must be treated as unassailable.

Adamson vs. Gilliland, 37 S. C. R., 169, 170; 242 U. S., 350; 61 Law Ed., 356, 357.

U. S. vs. United Shoe Mch. Co. of N. J., 38 S. C. R., 473, 475, 476.

Westermann vs. Dispatch Co., 233 F. R., 609 (6th C. C. A.).

Luten vs. Sharp, 234 F. R., 880 (8th C. C. A.).

Gibson vs. Amer. Graphophone Co., 234 F. R., 633, 635 (2nd C. C. A.).

The Court of Appeals for the Second Circuit, in the case at bar, passes over the findings by the Ohio trial court (affirmed by the 6th C. C. A.) after a lengthy trial during which defendant-manufacturer Wagner and his witnesses testified and undertook to justify his product, and has reversed the order granting preliminary injunction herein.

(E) The order granting preliminary injunction should have been affirmed by the Court of Appeals for the Second

Circuit under the established rule that such an order will not be disturbed unless it is clearly shown that in granting it the District Court improvidently exercised or abused its legal discretion. Supported as it is by the unanimous opinions and judgments of four judges in the Sixth Circuit, the New York District Court would have failed to exercise proper discretion had it refused the injunction. A few of the decisions are:

Rahley vs. Columbia Phonograph Co., 122 F. R., 623, 625, 4th C. C. A.

Neff et al. vs. Coffield Co., 210 F. R., 166, 167, 4th C. C. A.

Blount vs. Societe Anonyme, etc., 53 F. R., 98, 100, 6th C. C. A.

Magruder et al. vs. Belle, etc., 219 F. R., 72, 82, 8th C. C. A.

Duplex Co. vs. Campbell Co., 69 F. R., 250, 252, 6th C. C. A.

Kings Co. vs. U. S. Raisin Co., 182 F. R., 59, 60, 9th C. C. A.

Stearns-Rogers Mfg. Co. vs. Brown, 114 Fed., 939, C. C. A. 8th.

(F) The Court of Appeals for the Second Circuit has failed to give to the final judgment and decree of the Court of Appeals for the Sixth Circuit full faith and credit as is required by Article IV of the Constitution of the United States and section 905 Revised Statutes. In *Bigelow vs. Old Dominion Copper Co.*, 225 U. S., 111, 133; 32 S. C. R., 641, after referring to the language of the Constitution and to the act of Congress (R. S., sec. 905) giving effect thereto, and to the fact that the decisions of the United States Courts are for the purpose of the act considered as those of courts of the States, this Court said:

"The effect of this clause is to put the judgment of a court of one State, when sued upon, or pleaded in

estoppel, in the courts of another State, upon the plane of a domestic judgment in respect of conclusiveness as to the facts adjudged."

CONCLUSIONS.

Upon the established identity or privity of parties in this and the Ohio suit, and with respect to the same American Model Builder product complained of in both suits, and hence covered by the decree in the Ohio suit, the Court of Appeals for the Second Circuit erred (*a*) in its order (R., 178) reversing, with costs to respondent-defendant, the order of the District Court granting preliminary injunction, and (*b*) in its order (R., 148) denying petitioner-plaintiff's motion for decree on the merits.

Petitioner-plaintiff prays this Court to reverse both said orders with costs in this Court and the courts below, and for any other relief to which petitioner-plaintiff may be entitled in this cause.

Washington, D. C., December, 1919.

Respectfully,

REEVE LEWIS,

Of Counsel for Petitioner-Plaintiff,

Meccano Limited.

C. A. L. MASSIE,

W. B. KERKAM,

RALPH L. SCOTT,

Of Counsel.

ADDENDUM.

This Court May Grant the Relief Sought.

Refusing relief on other grounds, the Court of Appeals "passed" and "left open" the "question of practice" whether it might "enter a decree for the plaintiff" (R., 146). But, under the established practice, there can be no doubt of that Court's authority to have so disposed of the case. In the leading case of *Mast, Foos & Co. vs. Storer Co.*, 20 S. C. R., 708; 177 U. S., 485; 44 Law Ed., 856, in a suit pending before the Court of Appeals on an appeal from an order granting preliminary injunction, that Court not only reversed the order, but dismissed the bill (89 Fed., 333); and this Court (the Supreme Court) finding that all the controlling facts were properly before it, affirmed the Court of Appeals. As remarked by the Court of Appeals in its decision in the case at bar, "*Mast, Foos & Co. vs. Storer, supra*, was a case where the bill was dismissed and no case has so far held that the plaintiff could obtain an affirmative decree."

But there is no *reason* why an affirmative decree should not be promptly awarded a plaintiff by a Court of Appeals in a case pending before such Court on appeal from a preliminary injunction order, and that is particularly so where the appeal record establishes (as it does in the case at bar) the conclusiveness in such suit of a prior judgment in another suit. Our position is consistent with the *reasoning* in the *Mast-Foos case*. If the Court of Appeals can in one case (such as the *Mast-Foos case*) pending before it on a preliminary injunction appeal, *dismiss the bill* on the merits, thereby deciding in favor of *defendant*, certainly in another case similarly pending, the Court of Appeals may *sustain the complaint* upon the basis of a prior adjudication, and thereby decide in favor of *plaintiff*. There is no difference in principle and reason.

Furthermore, the Court of Appeals having refused to enforce herein the conclusiveness of the Ohio suit decree, and this (the Supreme) Court having brought the cause here by certiorari to review the question whether the Court erred in that respect, there can be no question of the power of *this Court* to grant adequate relief by the enforcement of said Ohio judgment, and to exercise that power regardless of the fact that this case reached the Court of Appeals below on appeal from a preliminary injunction order.

In the case of *Hart vs. Ry. Supply Co.*, *supra* (37 S. C. R., 506; 244 U. S., 294; 61 Law Ed., 1148), this Court held that a conclusive judgment in the Sixth Circuit, first invoked before the Court of Appeals, Seventh Circuit, after the case there had reached that Court on appeal, should have been promptly enforced by said Court of Appeals as *res adjudicata* in the case before it. The case was before the Court of Appeals, Seventh Circuit, after trial and on an appeal from a decree dismissing the bill. But can it be supposed that the rights of the parties and results would have been any different had the suit been pending before the Court of Appeals merely on appeal from a preliminary injunction order, with a record showing (as here) all the necessary facts to support the conclusiveness of the decree in the suit in the other circuit? And could it have made any difference had the *plaintiff* in both cases *been invoking* in the Seventh Circuit case a decree in the Sixth Circuit in its (*plaintiff's*) favor? The answer to both queries must be in the negative; there is no sound reason for answering otherwise.

In *Rock Springs Distilling Co. vs. W. A. Gaines & Co.*, 38 S. C. R., 327; 246 U. S., 312; 62 Law Ed., — (a certiorari case), *upon an issue* framed merely *upon the conclusiveness of a prior adjudication*, the District Court sustained the plea of former adjudication and dismissed the bill in so far as it sought relief for infringement of the trade-mark "Old Crow." The Court of Appeals reversed the District Court, and this

(Supreme) Court reversed the Court of Appeals and affirmed the District Court.

In *Hanover Star Milling Co. vs. Metcalf*, 36 S. C. R., 357; 240 U. S., 403; 60 L. Ed., 713, 716, there were two certiorari cases in which the courts below differed upon "fundamental questions." In one case the Supreme Court reversed the Court of Appeals for the Fifth Circuit in reversing the grant of preliminary injunction by the District Court, remarking that "No question is raised respecting the propriety of passing upon the questions at issue *on a review of decisions rendered upon applications for temporary injunction.*" Likewise, in the case at bar, there can be no impropriety in passing upon the question submitted by the petition for certiorari (the question of the conclusiveness of the Ohio decree) because the case reached the Court below upon appeal from a preliminary injunction order.

Respondent-Defendant's Erroneous Theory as to the Scope of This Court's Review Herein.

It is the theory of the respondent (Wanamaker, defended by Wagner) that *in this case* this Court will decide (1) whether the courts of the Sixth Circuit were right or wrong in deciding, upon the evidence before them in the Ohio suit (but not before this Court in this case), that the "American Model Builder" product, *per se*, constitutes unfair competition and copyright infringement with respect to petitioner-plaintiff's "Meccano" product, and (2) whether the Court of Appeals for the Second Circuit was right or wrong in its ruling herein, upon the evidence before it (preliminary injunction affidavits and exhibits), that "upon the question of copyright infringement and unfair competition we think the case [as made out by the affidavits and exhibits] not clear" (R., 150).

The theory is thus stated by Wagner's counsel (same as here) in the petition in the Wagner Mandamus Proceeding in this Court, to wit,

"the crucial question on which all of these proceedings are based is now awaiting the action of this [Supreme] Court for authoritative settlement * * * the decisive determination of the rule of law which shall govern this case [the Ohio suit] in the Sixth Circuit will be announced by this Court as soon as it reaches and decides the case of this plaintiff against John Wanamaker of New York, the customer of your petitioners" (pp. 1-12).

Such theories are manifestly erroneous. That this Court has not been asked to review (by certiorari or otherwise) and decide (and will not decide) whether or not the American Model Builder product, as compared with the Meccano product, is unlawful on the ground of unfair competition and copyright infringement, is confirmed by this Court's hereinbefore quoted statement (see Part 1 of the Brief) of the questions presented for its review and determination herein. They all concern the effect to be given the Ohio decree.

The District Court in Ohio (Judge Hollister) in its return to this Court's order to show cause in the Wagner mandamus proceeding, says (p. 13 of printed returns):

"the merits in the case before the Circuit Court of Appeals for the Second Circuit seemed to involve the sole question of the effect of the decree of the Circuit Court of Appeals for the Sixth Circuit upon the case of Meccano, Ltd., *vs.* Wanamaker, under the circumstances disclosed in that case, Wanamaker being a seller of Wagner's outfits, manuals, etc., and being defended in the litigation by Wagner."

The Court of Appeals, Sixth Circuit (Judges Warrington, Knappen and Denison), in its return in the same proceeding, says (p. 5 of the printed returns):

"(b) From the record as presented to us, showing the application to the Supreme Court for *certiorari*

in the Wanamaker case, we inferred that the matter of such difference of opinion upon the ultimate merits as there may be between our Court and the Circuit Court of Appeals of the Second Circuit, was only remotely involved; and that it was not probable that the Supreme Court, in its consideration of the certiorari case, would reach that matter."

Petitioner-plaintiff's brief in this Court in support of petition for certiorari says:

"This Court is not asked to review [herein] by *certiorari* the decision (R., 335) of the Court of Appeals for the Second Circuit in so far as it assumes to decide whether or not the American Model Builder product, as compared with petitioner's Meccano product, is unlawful on the ground of unfair competition and copyright infringement. This case has not yet gone to trial, and the affidavits and few exhibits produced on preliminary injunction motion do not constitute a record adequate fully to inform this Court regarding that question. Furthermore, it is petitioner's contention that—with the judgment of the Sixth Circuit Court of Appeals properly before it by petitioner's motion—such question was not open to decision by the Court of Appeals for the Second Circuit; and it is now sought to have this Court so rule" (p. 21).

Under the writ of certiorari, this Court is believed to have before it for determination merely whether or not, and to what extent, the decisions in the Wagner Ohio suit constitute an estoppel in this subsequently brought Wanamaker New York suit.

The Wagner Ohio suit has not been brought to this Court for review. In so far as this Court is called upon to consider the decision in that suit, such consideration will be solely for the purpose of *interpreting* said decision, *in order to apply* it to the situation presented in this Wanamaker New York

suit,—and not for the purpose of appellate review of said decision upon the merits. The affirmative rights of plaintiff, Meccano Limited, and the merits of the Wagner Ohio suit, and that American Model Builder product is unlawful upon the grounds of unfair competition and copyright infringement, have been finally adjudicated, and are not before this Court for review. It is a clear case of estoppel by judgment and *res adjudicata*, under numerous decisions of this Court, some of which have been hereinbefore cited.

Invoking the principle of law affirmed in such decisions, and upon the basis of the decisions and decree in the Wagner Ohio suit, Meccano Limited asserted its right to a preliminary injunction, and also to a decree on the merits, in this later Wanamaker New York suit. The Court of Appeals for the Second Circuit refused both. Judge Learned Hand, however, in his dissent (R., 151) to the decision reversing the preliminary injunction order, took the position that the judgment in the Wagner Ohio suit should have been accepted and enforced "quite independently of how we [C. C. A. 2nd] might ourselves view the transactions out of which the Ohio decree proceeded," and "regardless of what relief we might have given the plaintiff under the stated facts."

In other words, the Ohio decree is conclusive "whether the reasons upon which it was based were sound or not"; it is not open to review, "even if no reasons at all were given"; and, even assuming that "the judgment may have been erroneous," it "imports absolute verity and the parties are forever estopped from disputing its correctness" (*City of New Orleans vs. Citizens' Bank, supra*).

This Court has frequently granted its writs of certiorari to determine the conclusiveness, in a second suit, of a prior judgment in a first suit; for example—*Forsyth vs. City of Hammond*, 17 S. C. R., 665; 166 U. S., 506; 41 Law Ed., 1095; *Hart Steel Co. vs. R. R. Supply Co., supra*; *Rock Spring Distilling Co. vs. W. A. Gaines & Co., supra*.

That, we believe, will be as far as this Court will go, or have occasion to go, in this suit.

The reason given by the Court of Appeals for the Second Circuit for refusal of the interlocutory decree on the merits is that the issues in the two suits are deemed by that Court not "coextensive," the Wanamaker suit being held to embrace toys other than American Model Builder procured by Wanamaker and Wagner. And said Court refused preliminary injunction because "we [the court] think the case [made out by the affidavits and exhibits] not clear;" in other words, as stated by this (Supreme) Court in its decision (printed in Appendix A) in the aforesaid Wagner Mandamus Proceeding—

"the court [Court of Appeals, Second Circuit] held that a very clear case was necessary to justify a preliminary injunction for a claimed infringement of copyright or for unfair competition, * * * and that the affidavits and exhibits before the District Court were not sufficient to warrant its conclusions. For these reasons the order of the District Court allowing a temporary injunction was reversed."

Assuming (without admitting) the aforesaid decisions of the Court of Appeals herein to be sound, they do not finally decide and dispose of the case; and Meccano Limited, the plaintiff, has not yet had its full day in Court in this suit. There has been no trial and introduction of full proofs herein; no decree and appeal therefrom; and no final decision by either the District Court or the Court of Appeals.

Therefore, there has not been submitted, for review by this Court in this certiorari proceeding, any "crucial question" upon the point whether or not American Model Builder product by comparison with Meccano product constitutes unfair competition and copyright infringement. Upon that question the preliminary injunction record is

incomplete, although the same record is adequate upon the question of estoppel or *res adjudicata*,—which is the “crucial” question herein presented. Nor is it believed to be possible that this Court in rendering its decision herein, will, as predicted in the Wagner mandamus petition, announce a “decisive determination of the rule of law which shall govern” the Ohio suit against Wagner *et al.*

This Court has been asked to intervene in this suit upon the ground that the judgment in the Ohio suit (right or wrong) is controlling and conclusive in the New York suit, and this Court will “confine its discussion” and consideration “to the matters *relied upon in asking the intervention of this Court*” (*Alice State Bank vs. Houston Pasture Co.*, 38 S. C. R., 496; 247 U. S., 240; 62 Law Ed., 1096).

This Court will not pass upon the merits of the questions of unfair competition and copyright-infringement for the further reason that the Court of Appeals for the Second Circuit has, by statute (Sec. 128, Judicial Code), final jurisdiction over those matters; and that Court has not yet finally adjudicated such matters, but has only decided that the same have not been sufficiently established by the showing in support of preliminary injunction motion. The scope of this Court’s review of the Wanamaker New York suit is therefore ruled by decisions of this Court such as the following:

Lutcher vs. Knight, 30 S. C. R., 505; 217 U. S., 257; 54 Law Ed., 757:

“It is undoubted that by the operation of the writ of certiorari, granted in accordance with the provisions of the Judiciary Act of 1891 * * * the entire record is before us, with power to decide the case as it was presented to the Circuit Court of Appeals * * * we think this record presents an exception to the general rule of procedure above referred to. In other words, in a case like this we think the judg-

ment of the Circuit Court of Appeals must be reversed, and the case be remanded to that court, to the end that the duty to hear and decide it may be performed. To hold otherwise would be repugnant to the plain intent of the Act of 1891, since it would recognize a practice by which the concededly essential purpose of the Act of 1891 could be disregarded or be made practically of no avail."

Marconi vs. Simon, 38 S. C. R., 275; 246 U. S., 46; 62 Law Ed., 568:

"It follows, therefore, that to finally decide the case would require us to determine whether or not the apparatus as furnished was a direct infringement or mere contribution. But to do this would call for the exercise on our part of a duty which it was the province of the court below to perform, * * *. We do not, however, stop to dispose of them since we are of opinion that under the state of the record we ought not to do so but should leave them also to be considered for what they are worth by the court below."

Brown vs. Fletcher, 237 U. S., 583; 35 S. C. R., 750; 59 L. Ed., 1128:

"While it is clear, the question of jurisdiction being thus determined, that we have power to consider and dispose of the merits, we think it is equally clear that we ought not to exert the authority (a), because to do so would be out of harmony with the provisions of the Judicial Code, giving a right to direct review on questions of jurisdiction; and (b), because it would be in a broad sense incompatible with the provisions giving finality to the judgments and decrees of the Circuit Court of Appeals in cases, of which this is one, within the final competency of those courts, * * *. We say the second, because as this case is one over which the action of the court below is made final by the statute, we are of opinion that its refusal to decide the case on the merits because of an erroneous conclusion as to want of power

as a Federal Court to do so ought not, under the circumstances here disclosed, to be made the basis by which this Court would perform a duty which the statute contemplates should be discharged by the court below."

Hubbard vs. Tod, 19 S. C. R., 14; 171 U. S., 474; 43 Law. Ed., 246:

"This case belongs to the class of cases in which the decree of the Circuit Court of Appeals is made final by the statute. * * * having been brought up by *certiorari* * * * we shall confine our consideration of the case to the examination of errors assigned by petitioner."

We refer also to cases such as the following:

Leeds & Catlin Co. vs. Victor Co., 29 S. C. R., 495; 213 U. S., 301; 53 Law Ed., 805:

"Upon the bill and certain supporting affidavits, an order to show cause against a preliminary injunction was issued, which, coming on to be heard upon such affidavits, and other affidavits and exhibits, a preliminary injunction was granted. * * * It was affirmed by the Court of Appeals" (p. 497).

"This case is here on *certiorari* to an interlocutory decree of injunction" (p. 496).

After referring to the voluminous affidavits, covering matters litigated in a prior suit, this Court said:

"Upon this body of proof, formidable even in its quantity, and having no other elucidation than the arguments of counsel and some mechanical exhibits, presenting grave questions of fact, we are asked by petitioner to go beyond the action of the lower courts, and not only reverse them as to a preliminary injunction, but decide the case. If we should yield to this invocation and attempt a final decision, it would be difficult to say whether it would be more unjust to petitioner or to respondent" (p. 497).

"we may pass the defenses of anticipation, whether complete or partial, and the defense of infringement.

These are, we have already said, questions of fact which we are not inclined to pass upon unaided by the judgments of the lower courts, made after a hearing on the merits" (p. 498).

This Court, confining its review of the case to the *question of law*, as to the effect upon the term of a U. S. patent of the expiration of a prior foreign patent, refused "to go beyond the action of the lower courts" and "decide the case" upon other points not finally decided below.

For similar reasons, this Court will in the case at bar confine itself to the questions of law submitted by the certiorari petition, and will not "go beyond the action of the lower courts" and finally decide whether or not the American Model Builder product constitutes unfair competition and copyright infringement with relation to petitioner's Meccano product.

The decision and decree in the Ohio suit are a final adjudication that the American Model Builder product constitutes unfair competition and copyright infringement, and that adjudication is not before this Court for review. The *question of law* here is the effect to be given that adjudication in the present case.

Eagle Glass & Mfg. Co. vs. Rowe et al., 38 Sup. Ct., 80; 245 U. S., 275; 62 L. Ed., 286:

"A decree granting a temporary injunction was reversed by the Court of Appeals for the Fourth Circuit * * * writ of certiorari granted" (p. 81).

"So far as the decision of the Circuit Court of Appeals dissolved the temporary injunction * * * we see no reason to disturb the decision.

"But the Court went further, and directed a dismissal of the bill. Since the cause had not gone to final hearing in the District Court, the bill could not properly be dismissed upon appeal unless it appeared that the Court was in possession of the materials necessary to enable it to do full and complete justice between the parties. Where, by consent of parties, the case has been submitted for a final determination of the merits, or upon the face of the bill there is no

ground for equitable relief, the appellate court may finally dispose of the merits upon an appeal from an interlocutory order."

* * * * *

"But in this case the application for a temporary injunction was submitted upon affidavits taken *ex parte*, without opportunity for cross-examination, and without any consent that the Court proceed to final determination of the merits. Hence there was no basis for such a determination on appeal unless it appeared upon the face of the bill that there was no ground for equitable relief" (p. 83).

"Plaintiff is entitled to an opportunity, on final hearing, to prove these allegations as against those defendants who are within the jurisdiction of the Court, and to connect them with the activities of Gillooly" (p. 84).

While affirming the decree of the Court of Appeals so far as it dissolved the preliminary injunction, this Court thus found that the dismissal of the bill, before the cause had gone to final hearing in the District Court, was premature. Hence the decree was reversed in so far as it directed dismissal of the bill and the cause "remanded to the District Court for further proceedings in conformity to this opinion." With no dismissal or final hearing, there is still stronger reason for not reviewing, in the case at bar, questions other than the conclusiveness of the Ohio judgment.

The situation before this Court in this suit, and the authorities heretofore cited to show that this Court will not extend its review to the merits of the questions of unfair competition and copyright infringement (not yet finally decided by the courts below), readily differentiate from authorities heretofore cited upon that point by Wagner-Wanamaker.

For example, they cited *Panama vs. Napier*, 17 S. C. R., 572; 166 U. S., 280; 41 Law Ed., 1004, in which there had been a *final decree* (finding \$38,861.86 damages). On writ

of certiorari this Court reviewed the "whole case" and reversed the decree. In *Hamilton Brown Shoe Co. vs. Wolf Bros.*, 36 S. C. R., 269; 240 U. S., 251; 60 Law Ed., 629, the writ of certiorari followed a *final decree* by the C. C. A. 8th, and this Court felt called upon "to notice and rectify any error that may have occurred in the interlocutory proceedings." In other words, in all of such cases there had been an element of finality in the decision of the Court of Appeals; an exercise by such courts of their statutory final jurisdiction covering all matters reviewed by this Court.

Summarizing: The Ohio suit is not before this Court for review and decision. The questions of law for review and decision in the case at bar relate only to the conclusiveness to be given the prior judgment in said Ohio suit. The case at bar is before this Court on a record (preliminary injunction affidavits and exhibits) inadequate to a decision on the merits of the questions of unfair competition and copyright infringement. There has been no trial and final decision in this cause on said questions. Final jurisdiction in this case is given by statute to the Court of Appeals, Second Circuit, and has not yet been exercised. This Court will not, in effect, appropriate to itself such jurisdiction by a final decision—on the question whether or not the American Model Builder product constitutes unfair competition and copyright infringement—in advance of final decision thereon by said Court of Appeals.

Respondent-Defendant's Contention, re Invalidity of Hornby Patent on Plates and This Court's Decision in *Singer vs. June*, is Untenable.

In this contention respondent attacks the soundness of the decision of the Court of Appeals, Sixth Circuit—charges it to be erroneous. Since we are here invoking that decision (and the decree entered thereon) as conclusive and as an estoppel, this cause (for that and other reasons) does not

here present for consideration and decision the question whether or not said Ohio decision (and decree) was right or wrong. In other words, in the language of Judge Learned Hand in his dissenting opinion below (R., 151), the said Ohio judgment is effective "quite independently of how we [the Court of Appeals] might ourselves view the transactions out of which the Ohio decree proceeded * * * regardless of what relief we might have given the plaintiff upon the state of facts." Hence, there appears to be no possibility that this Court will feel called upon to consider respondent's said contention. The fact is, there is absolutely no merit in the contention.

Ever since the Court of Appeals, Sixth Circuit, held the Hornby patent* invalid, defendant Wagner in the Ohio suit, and respondent-defendant Wanamaker (defended by said Wagner) in this suit, have been harping upon the untenable theory that, upon the basis of such holding and in view of this Court's decision in *Singer vs. June*, 163 U. S., 169, said defendants in both suits (and their American Model Builder product) have become guiltless and immune upon the established and adjudicated charges of unfair competition and copyright infringement. The contention first appeared in Wagner's first petition for rehearing in Ohio (R., 137-8) and was rejected by the Court of Appeals, Sixth Circuit, in denying rehearing (R., 139). It was repeated in a second petition for rehearing (R., 174) and again rejected by said Court in its order of May 15, 1918,† again denying rehearing. The contention was even brought into this Court in the Wagner mandamus proceeding, hereinbefore mentioned, being thus stated in the mandamus petition—

"In view of * * * invalidity [so adjudged by the C. C. A. 6th] of Meccano's Hornby patent [on the plates] * * * the decision of this Court in *Singer Mfg. Co. vs. June*, *supra*, was conclusive, a position the Court of Appeals for the Second Circuit

*A copy of the patent follows page 14 of the record.

†Certified copy with papers.

substantially took in its decision on said appeal." (Petition, p. 13.)

Firstly, Wagner-Wanamaker appear to be laboring under a wholly erroneous impression as to what the decision was in the *Singer vs. June* case, overlooking the fact that this Court *reversed* the lower court and *granted* injunction and an accounting against June, saying that the defendant's use of the subject-matter of the Singer Co.'s patent which had expired by term-limitation could only be in such a manner "as not to deprive others of their rights or to deceive the public." Quoting from Pouillet, *Brevets d'Invention*, the decision (by Mr. Justice White) says (italics ours):

"The expiration of a patent has for its natural effect to permit everyone to make and sell the object patented; and it has also for effect to authorize everyone to sell it by the designation given it by the inventor, but *upon the condition in every case not, in so doing, to carry on unfair competition in business against him*" (163 U. S., 197; 41 Law Ed., 129).

Secondly, the contention is predicated upon the false premise that respondent's use of the "*plates*" (the *only* features of patentable novelty which the Hornby patent describes) and their illustrations of said *plates* in their books of instruction, constitute the sum and substance of the unfair competition and copyright-infringement of which Wagner *et al.* have been adjudged guilty in the Ohio suit. But, as shown by the decision of the Ohio District Court (R., 64), and affirmed by the Court of Appeals, Sixth Circuit (R., 131) the unfair competition comprehends far more than the mere "*plates*," *e. g.*, duplication of the many separate parts grouped together in the Meccano product; duplication of Meccano individual outfits and series of outfits; adoption and use of the Meccano standard of distance between holes in the various parts, whereby American Model Builder parts are interchangeable with Meccano parts; copying and simulation

of Meccano books of instruction, both in contents and in appearance; proven instances of deception and confusion and palming off; and use of the business-system of Meccano Limited, and invasion of its property-rights therein—in a wholesale way appropriating the business and good-will established by Meccano Limited. Similarly, petitioner's copyright-infringement comprehends copying and counterfeiting the copyrighted books of Meccano Limited.

Many other facts and considerations refute the contention based upon the invalid Hornby patent and the Singer case; for example:

(a) The charge of unfair competition is the main cause of action, and, as just shown, comprehends acts far beyond the mere use of the *plates* and the use of illustrations of said *plates*. The charges of copyright-infringement and patent-infringement were subsidiary, in that order. In the mandamus proceeding in this Court, Wagner misstated the charge of infringement of "the patent to Hornby No. 1,079,245, November 18, 1913, for toys" (the title in the patent is "perforated *plates*") as the first and *main* cause of action; secondly, the "alleged unfair competition for manufacturing and selling said toys"; and lastly, copyright-infringement "by publishing and selling certain trade catalogues or manuals illustrating said toys."

(b) The Meccano product without said "*plates*"—which were added (in 1911) to the approximately fifty metal and other parts theretofore comprised by the product—had been marketed long prior to the advent of the *plates*. Therefore, upon no theory could the invalidating of the patent on said *plates* afford immunity to petitioner's unfair competition and copyright infringement with respect to things *other than* the *plates*.

(c) The "*plates*" had been included in the Meccano marketed product *for over two years* (beginning about July,

1911) before the Hornby patent on the plates was granted on November 18, 1913.

(d) Wagner counterfeited the Meccano product *in its entirety*, including the plates, and had been marketing his counterfeit *for over a year* before the Hornby patent came into existence. Upon the Wagner-Wanamaker theory that in a situation such as presented, immunity to the charge of unfair competition and copyright-infringement begins at the date of *expiration* of a patent, and that invalidation of the Hornby patent by the Court of Appeals, Sixth Circuit, decision of November 16, 1917, was equivalent to its expiration by term-limitation, then Wagner-Wanamaker were *guilty* up to November 16, 1917, but are *guiltless and immune thereafter*. The mere statement of that proposition shows its untenability. The fact is, defendants in both suits deliberately committed their unlawful acts without regard to the patent, and the invalidation of the latter affords immunity only to the charge of patent-infringement. Unfair competition and patent-infringement are based upon separate and distinct causes of action, as shown by the Singer decision of this Court. "Patent infringement is the violation of the exclusive monopoly created by statute, while no element of monopoly is involved in unfair competition" (*Unit Const. Co. vs. Huskey*, 241 F. R., 129).

(e) Prior to the existence of the Hornby patent, Meccano Limited had instituted suit in New York (R., 103) against Wagner *et al.* (excepting the later-formed Wagner corporation) on the same charges of unfair competition and copyright-infringement; and, subjoined in the subsequently instituted Wagner Ohio suit, the charge of patent-infringement as an incidental appendage, supplemental to main charges originally made.

Contrary to the hereinbefore quoted statement of the Wagner mandamus petition, we do not find that the Court of Ap-

peals for the Second Circuit "substantially took" the position contended for by Wagner-Wanamaker with respect to invalidation of the patent and *Singer vs. June*. Said Court (C. C. A. Second) stated a "question," but *without deciding it*, saying (R., 150): "It is a *question* whether it [Meccano Limited] is entitled within the decision of the Supreme Court in *Singer vs. June* * * * to more protection than that outfits made by others should be advertised and sold as the products of the makers under names and in packages which do not simulate the complainant's." Nowhere else in its decisions does that Court refer to *Singer vs. June*; and all that it has thus far *decided* is that (1) the proofs by the affidavits are not sufficiently clear to entitle Meccano Limited to a preliminary injunction; and (2) Meccano Limited is not entitled to a decree upon the basis of estoppel by the Ohio judgment. What said Court of Appeals *would* decide at final hearing, after trial and full proofs, cannot be assumed.

The courts of the Sixth Circuit, on the other hand, have repeatedly considered the aforesaid contention, with the advantage of trial and full proofs, and have found no reason to alter the views expressed by the Court of Appeals of the Sixth Circuit in denying Wagner's first petition for rehearing in said Wagner Ohio suit, to wit:

"On Rehearing for Certain Instructions.

"Appellants' 'rehearing petition' for 'instructions regarding the extent of the reversal of the lower Court' is denied; no instructions are necessary, since the opinion approves the conclusions reached below upon the issues shown, except the one in relation to the patent in suit, and the patent in suit describes the two perforated plates as its only features of patentable novelty. Hence no perceivable difficulty can arise from the adjudged invalidity of the patent; in principle the situation here does not differ from the one involved in *Samson Cordage Works vs. Puritan Cordage Mills*, 211 Fed., 603, 605, 608, *et seq.*; 128 C. C. A. 203; L. R. A., 1915F, 1107 (C. C. A. 6),

where the trade-mark claimed was held invalid while the charge of unfair competition was sustained. See, also, *Saalfeld Pub. Co. vs. G. & C. Merriam Co.*, 238 Fed., 1, 10, 151, C. C. A. 77 (C. C. A. 6)." (246 Fed., 610) (R., 139).

In said case of *Samson Cordage Works vs. Puritan Cordage Mills*, *supra*, a registered trade-mark "alleged to consist in a series of spots arranged spirally about the circumference of the cord, each shaped in the form of a lozenge," was held to be invalid as not susceptible of monopoly as a trade-mark. The Court then proceeded to find that defendant's use of similar marking constituted unfair competition, remarking in part:

"The existence of a valid trade-mark is not essential to a right of action for unfair competition * * *. An important respect in which the action for infringement of trade-mark differs from that for unfair competition is that in the former the wrongful intent is presumed from the fact of infringement, while in the latter the recovery can be had only on proof of wrongful intent in fact, although an inference of such intent may be justified 'from the inevitable consequences of the act complained of.' *Elgin Watch Co. Case*, *supra*, 179 U. S., at page 674; 21 Sup. Ct., at page 270; 45 L. Ed., 365. * * * There is no inconsistency between the two actions" (p. 608).

In the above-cited *Saalfeld Merriam Case*, in which reference is made to the *Singer* case (238 Fed. Rep., bottom p. 10), the decision of the Court of Appeals is to the effect that expiration of a registered copyright does not exclude the application of the equitable principles of "unfair competition" against another's *unfair* use of the subject-matter of the expired copyright, or afford immunity to acts constituting unfair competition.

In the case of *President Suspender Co. vs. MacWilliam* (238 Fed. Rep., 159), the Court of Appeals for the Second Circuit held that where the use of a trade-mark on a patented

article had antedated the patent, the right to use such trade-mark does not pass to the public on the expiration of the patent.

Likewise the rights of Meccano Limited, against unfair competition and copyright-infringement, cannot be terminated by the adjudged invalidity of the Meccano Hornby patent on the plates.

The independence of causes of action, based on the one hand on a charge of unfair competition, and on the other hand on a charge of trade-mark infringement (or copyright-infringement, or patent-infringement), has been recognized and applied in numerous authoritative cases which it is unnecessary to cite at length. We mention for example *Grier Bros. Co. vs. Baldwin et al.* (219 Fed. Rep., 735), in which the Court of Appeals for the Third Circuit, while holding a patent invalid as to its claim in suit, and reversing the Court below on the charge of a patent-infringement, *at the same time affirmed the decision below in sustaining a charge of "unfair competition"* for unlawful imitation of the miner's lamp *to which the patent applied.*

In its recent decision in *International News Service vs. The Associated Press* (Dec. 23, 1918, 39 S. C. R., 68), this Court said (emphasis ours) :

"No doubt news articles often possess a literary quality, and are the subject of literary property at the common law; nor do we question that *such an article*, as a literary production, *is the subject of copyright by the terms of the act as it now stands*" (p. 70). "*The parties are competitors in this field; and, on fundamental principles, applicable here as elsewhere, when the rights or privileges of the one are liable to conflict with those of the other, each party is under a duty so to conduct its own business as not unnecessarily or unfairly to injure that of the other.*"

"We need spend no time, however, upon the general question of property in news matter at common law, or the application of the copyright act, since it seems to us *the case must turn upon the question of*

unfair competition in business. And, in our opinion, this does not depend upon any general right of property * * * *nor is it foreclosed by showing that the benefits of the copyright act have been waived.*"

"Obviously, the question of what is unfair competition in business must be determined with particular reference to the character and circumstances of the business. The question here is not so much the rights of either party as against the public, but their rights as between themselves. See *Morison vs. Moat*, 9 Hare, 241, 258. And although we may and do assume that neither party has any remaining property interest as against the public in uncopyrighted news matter after the moment of its first publication, it by no means follows that there is no remaining property interest in it as between themselves" (p. 71).

"*Stripped of all disguises, the process amounts to an unauthorized interference with the normal operation of complainant's legitimate business precisely at the point where the profit is to be reaped, in order to divert a material portion of the profit from those who have earned it to those who have not; with special advantage to defendant in the competition because of the fact that it is not burdened with any part of the expense of gathering the news.* The transaction speaks for itself, and a court of equity ought not to hesitate long in characterizing it as unfair competition in business" (pp. 72, 73).

"*It is said that the elements of unfair competition are lacking because there is no attempt by defendant to palm off its goods as those of the complainant, characteristic of the most familiar, if not the most typical, cases of unfair competition.* *Howe Scale Co. vs. Wyckoff, Seamans, &c.*, 198 U. S., 118, 140. *But we cannot concede that the right to equitable relief is confined to that class of cases. In the present case the fraud upon complainant's rights is more direct and obvious*" (p. 73).

In said News Service case, this Court not only again gives its affirmance to the proposition that unfair competition may

exist in a competitor's use of property and of property-rights, belonging to another, regardless of whether or not the same are protected by a copyright (or patent), but also affirms the still broader principle that *regardless of any question of palming off*, competitors in the same field must each "so conduct its own business as not unnecessarily or unfairly to injure that of the other." This last stated principle is also directly applicable to the conduct of Wagner-Wanamaker, particularly to that phase of their unfair acts referred to in the decision of the Ohio District Court (234 Fed., 920, affirmed by C. C. A. Sixth, 246 Fed., 603), as follows:

"Unfair competition exists also in that the complainant has established a business system which is peculiarly its own. This was done at the expense of time, thought, labor, and much money. If it be assumed that this Court is in error with respect to the finding of palming off of defendants' goods for the complainant's, establishing thereby unfair competition, yet the defendant uses complainant's business and the system it has established. In these it has acquired a property right of which its competitor cannot deprive it by introducing his goods into, and as a part of, complainant's business and business system. In this respect, the case strongly resembles *Prest-O-Lite Co. vs. Davis* (D. C.), 209 Fed., 917, affirmed by the Circuit Court of Appeals of this circuit, 215 Fed., 349; 131 C. C. A., 491.

"If it be assumed that defendant could establish a business system of his own and enter into competition with the complainant's similar system, it seems to me quite clear that the defendant's system could not be so used as to appropriate the business and good will established by the complainant. It cannot be that the defendant can build up his own business by taking away complainant's business through the very method established by complainant for carrying it on. The American Model Builder is not only a fraud on the public, but also a fraud on the complainant" (R., 69-70).

The American Mechanical Toy Company, an Ohio Corporation.

"Francis A. Wagner (trading as The American Mechanical Toy Company)" was the business name under which the Ohio defendant originated and built up his unlawful toy business, and is the name under which he was sued in Ohio. That Ohio suit was tried in May-June, 1915, and decided by the District Court June 12, 1916. It is now alleged that between these dates, to wit, about January, 1916, Wagner incorporated The American Mechanical Toy Company, and turned the business over to that corporation. A brief in this case in the Court of Appeals for the first time suggested the existence of such a corporation, the effort being to break the chain of privity or parties in the two suits and thereby defeat the estoppel by the Ohio decree. Although the contention is manifestly untenable, it may be of assistance to this Court to briefly anticipate a repetition thereof here.

Respondent's brief aforesaid (of February, 1918), contends that respondent Wanamaker's answers under oath to interrogatories herein (R., 120-1)—which answers use the name "The American Mechanical Toy Company" with no suggestions of a corporate existence—do not establish identity or privity of the parties defendant in the two suits "because the Ohio corporation, The American Mechanical Toy Company, referred to in the answers to the interrogatories, was not a party to the Ohio suit. That corporation did not come into existence until January, 1916, while the Ohio suit was instituted December 24, 1913."

That the counsel (Toulmin & Toulmin) who signed that brief, later realized the futility of such contention is shown by their approval—in the second petition for rehearing in the Ohio suit (R., 174) signed by them, and certified by "H. A. Toulmin" and dated May 1, 1918 (R., 176)—of statements quoted from one of petitioner's briefs that "By

the pleadings herein and defendant's sworn admissions, *it is established that the parties in interest are the same (or in privity)*" in the two suits (R., 175).

The Court of Appeals, finding no merit in the contention, regarded the answers to the interrogatories as applying to Wagner, the Ohio defendant, regardless of incorporation of his business, that court saying (emphasis ours) :

"meanwhile plaintiff had in the District Court required the defendant [Wanamaker] to answer certain interrogatories by which it appeared that the defendant procured from one *Wagner*, the toys which it sold * * * the interrogatories further showed that *Wagner* had agreed to hold the defendant harmless," etc.

There is nothing in the record before this Court showing or even suggesting the existence of the corporation, or that "The American Mechanical Toy Company," referred to in the answers to the interrogatories, is any other than "Francis A. Wagner (trading as The American Mechanical Toy Company)," the defendant in the Ohio suit, so named throughout the bills and papers in both suits.

On the record in the Ohio suit the corporation does exist, and by the Order on Mandates, entered on February 11, 1918 (certified copy filed with the papers), the District Court in Ohio directed the entry, *nunc pro tunc* as of the date of its verification, of petitioner's supplemental bill impleading Wagner's said Ohio corporation; and put said Ohio corporation *under injunction* (see footnote excerpt* from order).

*10. And that complainant's motion to implead The American Mechanical Toy Company, an Ohio corporation (presented pursuant to the Order entered Dec. 15, 1917, by the Court of Appeals), be and the same hereby is granted; that the sworn copy of complainant's Bill in the Nature of a Supplemental Bill (verified April 3, 1917, and now on file in said Court of Appeals), be and the same hereby is ordered filed and entered *nunc pro tunc* as to the date of its verification; that a *subpoena ad respondendum* be issued, directed to said corporation and requiring it to answer said Bill within twenty days

and directed it to file its answer within twenty days, said corporation being merely Wagner's *alter ego*.

By its recent answers to interrogatories,* sworn to by "Francis A. Wagner its President," The American Mechanical Toy Company, a corporation, admits in the Ohio suit all that is required to conclusively establish its identity or privity with the business previously conducted by "Francis A. Wagner (trading as The American Mechanical Toy Company)." For instance, the answers admit that of 1280 shares of stock originally issued, 1087 were issued to Francis A. Wagner; that (after a reduction of stock) of 738 shares outstanding on June 18, 1919, said Wagner is the owner of 652 shares; that the \$50,000 bond given by Wagner in the Ohio suit on July 12, 1916, to supersede an injunction, was for the purpose of enabling the corporation—which had previously taken over and was conducting the business—to continue the business; and that the corporation took over and sold "American Model Builder" product already manufactured by Wagner, and thereafter continued to manufacture and sell similar product.

From the standpoint of this litigation, and so far as concerns any question herein of privity of defendants in the two suits, no distinction can be made between "Francis A. Wagner (trading as The American Mechanical Toy Co.)" and "The American Mechanical Toy Company," an Ohio corporation. *This has been repeatedly recognized by the de-*

(Continued from preceding page.)

from the date of service; that service of said *subpoena* may be made upon any one of the original defendants' counsel of record herein; and that, in the meantime, said The American Mechanical Toy Company, and its officers, agents, and employees, be and they hereby are enjoined *pendente lite* in the same manner and to the same extent as herein directed with respect to the original defendants; and that all other determination with respect to said corporation await the expiration of said twenty-day period."

*The answers of the corporation to the interrogatories are in three papers entitled respectively, "Answers to Plaintiff's Interrogatories," "Supplemental Answers to Plaintiff's Interrogatories," and "Supplemental Answer to Interrogatory No. 17." Certified copies thereof are filed with the papers in this cause.

fense herein. For example, in the Wagner affidavit (of December 22, 1916) in opposition to the preliminary injunction motion, he says:

"As to Mr. Wanamaker's purchase of the toy outfits of *our* manufacture, and the sale of which I understand plaintiff seeks to enjoin in this action, I beg to inform the Court that such outfits were purchased by Mr. Wanamaker, through his purchasing agents, from *us* since July, 1916" (R., 93).

"I further informed the Court that the *defendants in the Ohio suit* sold the toy outfits to Mr. Wanamaker by virtue of said supersedeas bond * * * this present action * * * is hurtful to *us* as manufacturers, is destructive of *our* rights * * * is also an attempt to injure *us*" (R., 94). (Emphasis ours.)

Wagner thus says that the toys bought by Wanamaker "since July, 1916," at which time the corporation had been conducting the business for some months (since January, 1916), were sold to Wanamaker by "the *defendants in the Ohio suit*," thus himself recognizing no distinction between the Ohio defendant Wagner (trading as the American Mechanical Toy Co.), and the corporation of the same name.

In the motion made in the Ohio suit by Wagner *et al.*, defendants therein, to enjoin prosecution of this suit, it is asserted by counsel, Toulmin & Toulmin, that the aforesaid \$50,000 bond allowed in that case on July 12, 1916 (which was after the corporation took over the business in January, 1916), and "under which an injunction was superseded," was so allowed and approved

"so that *appellants* could continue *their* business [then incorporated] and could manufacture and sell the toys involved in this issue pending the decision of this [Ohio] cause by the United States Circuit Court of Appeals for the Sixth Circuit * * * that notwithstanding said supersedeas bond, the plaintiff * * * has lately instituted a suit

* * * against John Wanamaker, a customer of the *appellant manufacturer, who purchased toy outfits from said manufacturer since said supersedeas bond was given*, and which toy outfits are the same in kind as those involved in this action" (R., 113). (Emphasis ours.)

Wagner's affidavit in support of said motion contains the following:

"After July, 1916, when said supersedeas bond was approved and filed, as defendant manufacturer *we* [the corporation had then taken over the business] continued to sell *our* toys to our established customers. Among the customers to whom we sold these toys was John Wanamaker of New York.

We [the corporation had then taken over the business] sold him his toy requirements for this present [1916] holiday season under and *by virtue of said supersedeas bond*. * * *

Said suit [this suit] against John Wanamaker * * * is an attempt to * * * enjoin him for selling and dealing in the very identical toy outfits to make and sell which *we* [meaning both himself and the corporation] received authority under and by virtue of said supersedeas bond" (R., 114). (Emphasis ours.)

Again, in these statements of counsel and Wagner himself, no distinction is made between the business of Wagner and that of the corporation.

Now, if the facts were that the nominal defendant Wanamaker herein had an agreement directly with the Ohio defendant Wagner himself (instead of with Wagner's corporation as alleged), and that Wagner himself had entered into and is personally carrying out his individual agreement to hold Wanamaker harmless, and that Wanamaker has surrendered the entire defense to the individual Ohio defendant Wagner (instead of to Wagner's corporation), then *privity* would not be disputed; and every estoppel against *Wagner*

in Ohio would apply against *Wagner* here. The privity and estoppel exist in spite of the alleged interposition of *Wagner's corporation*. The "chain of privity" is not broken by *Wagner's* having incorporated his business. See, among other decisions :

Linn & Lane vs. U. S., 236 U. S., 574; 59 Law Ed., 725.

Simmons vs. Doran, 142 U. S., 417; 35 Law Ed., 1063.

Brill vs. Washington Railway Co., 30 S. C. R., 177; 215 U. S., 527; 54 Law Ed., 311.

Postal Telegraph Cable Co. vs. City of Newport, Ky., 38 S. C. R., 566; 62 Law Ed., —.

G. & C. Merriam Co. vs. Saalfeld, 190 F. R., 927; 6th C. C. A.

In the last cited case, a judgment in favor of plaintiff in a prior suit between the same plaintiff and one Ogilvie, on the same cause of action, unfair competition, was pleaded as a bar, the defendant *Saalfeld* having "taken over" the business while said first suit was still pending. *Saalfeld* was held bound by the judgment in the first case, the court remarking:

"If a third party may thus come into the acquisition of rights involved in pending litigation without being bound by the final judgment, and require a suit *de novo* in order to bind him, he might, pending that suit, alienate that right to another with the same result, and a final decree bearing fruit could never be reached" (932).

Hunter vs. Baker Motor Vehicle Co. (225 F. R., 1006, D. C. N. D. N. Y., Ray, J.), states:

"The legal fiction of distinct corporate entity is disregarded, when necessary to do so in order to circumvent fraud, and also when a corporation is so organized and controlled and its affairs are so conducted as merely to make it an instrumentality or adjunct of another corporation. And it matters not how deftly

the transaction is concealed by a succession of adjuncts and instrumentalities with corporate names all under one control" (pp. 1015-1016).

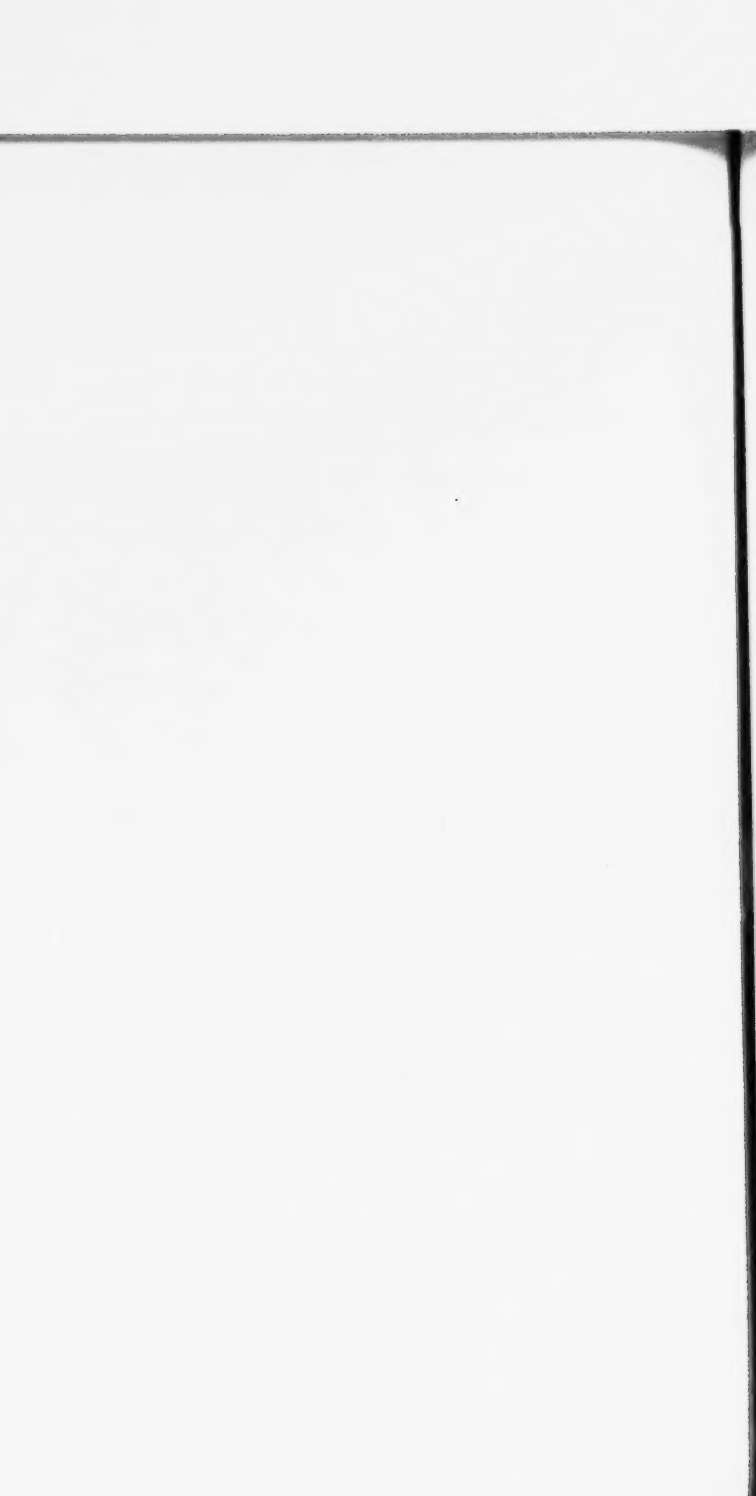
In *Dudlo Co. vs. Varley Co.*, 253 Fed., 745, the C. C. A. 7th, says:

"The evidence abundantly justifies the conclusion that the corporation was primarily formed for the purpose of evading the obligations imposed by the contract; the corporation took over the business as it was; under these circumstances, any estoppel arising from the contract as against the co-partnership, should be deemed equally effective as against the corporation.

"And inasmuch as defendant made no change whatsoever in the method of manufacture in so far as the core is concerned, it is estoppel to deny infringement in this respect" (p. 747).

Hart Co. vs. Ry. Co., *supra*, 37 S. C. R., 506; 244 U. S., 294:

"Identity of interest could not be clearer or closer than it was between the defendants in the two cases,—they represented precisely the same, single interest, and the Hart Company and Wood, as agents of the Elyria Company, were obviously and necessarily privies to the judgment rendered in its favor" (p. 507).



Appendix A.

Supreme Court of the United States.

No. 29, Original.—October Term, 1918.

Ex Parte in the Matter of F. A. WAGNER (Trading as The American Mechanical Toy Company), The Strobel & Wilken Company, a Corporation, and The American Mechanical Toy Company, a Corporation, Petitioners.

[April 14, 1919.]

Mr. Justice CLARKE delivered the opinion of the Court:

The petitioners pray that a writ of mandamus shall issue out of this Court, requiring the Circuit Court of Appeals for the Sixth Circuit and the judges thereof and the United States District Court for the Southern District of Ohio, Western Division, and the judge thereof, to stay further proceedings in a suit pending in the District Court, and the execution of a judgment against petitioners rendered therein by that Court and affirmed by the Circuit Court of Appeals. The answers of the courts and judges to the usual rule to show cause are before us.

The facts upon which the prayer for this extraordinary remedy is based are as follows: The Meccano, Limited, a corporation, brought a suit, which we shall designate as the Ohio case, in the District Court for the Southern District of Ohio against F. A. Wagner, trading as The American Mechanical Toy Company, and The Strobel & Wilken Company, a corporation, charging: (1) the infringement of Letters Patent, which the plaintiff claimed to own, covering certain parts of a model-builder or mechanical toy, known by the trade-name of "Meccano"; (2) the infringement of two copy-

rights which the plaintiff claimed to own upon the manual or book of instructions, which was sold with the toy and which was essential to the use of it, and (3) unfair competition. An accounting and permanent injunction were prayed for. The defendants denied the allegations of the bill and asserted a counter claim.

Upon the trial on the merits the District Court found for the plaintiff on all of the issues, dismissed the counter-claim of defendants and granting an injunction ordered an accounting.

On appeal the Circuit Court of Appeals for the Sixth Circuit affirmed the decree of the District Court except as to the infringement of the patent, which was held to be invalid for want of invention, and remanded the case for a decree not inconsistent with its opinion.

Pursuant to this affirmance the District Court entered a decree, and appointed a master to take an account of gains, profits and damages and to report his conclusions to that Court.

Thus was the Ohio case ripe for an accounting, which had been ordered, when the petition which we are considering was filed.

After the decision by the District Court in the Ohio case, but before it was affirmed by the Circuit Court of Appeals, the Meccano, Limited, instituted a suit, which we shall designate as the New York case, in the United States District Court for the Southern District of New York against John Wanamaker, a corporation, charging that the defendant, a customer of the defendants in the Ohio case and a retail dealer engaged in selling the toy manufactured by Wagner, was guilty of the same violations of complainant's rights as were alleged in the Ohio case. Upon "affidavits and exhibits" a motion for an injunction *pendente lite* was filed which, upon hearing, was granted. From this order allowing a temporary injunction an appeal was taken to the Circuit Court of Appeals for the Second Circuit, and after the

appeal was argued, but before it was decided, the decree of the District Court in the Ohio case was affirmed by the Circuit Court of Appeals for the Sixth Circuit. Thereupon the Meccano Company filed a "Motion for a Decision on the Merits" in the New York case, then pending on appeal in the Circuit Court of Appeals for the Second Circuit, and in support of this motion were filed copies of the opinion of the Circuit Court of Appeals for the Sixth Circuit and of the decree entered by the District Court pursuant thereto.

This motion for a judgment on the merits was bottomed on the claim that the two cases involved the same issues, that Wagner had assumed the defense in the New York case and that the decree rendered by the Circuit Court of Appeals for the Sixth Circuit constituted an estoppel by judgment when pleaded in the case in the Second Circuit,—but the motion was denied.

Later on, the appeal from the order granting a preliminary injunction, which was argued before the motion for judgment on the merits was filed, was decided, and the District Court was reversed, the Circuit Court of Appeals for the Second Circuit holding with the Circuit Court of Appeals for the Sixth Circuit that the patent declared on was invalid for want of invention, but the Court also held that a very clear case was necessary, to justify a preliminary injunction for a claimed infringement of copyright or for unfair competition, the only remaining claims in the bill, and that the affidavits and exhibits before the District Court were not sufficient to warrant its conclusion. For these reasons the order of the District Court allowing a temporary injunction was reversed.

Following this decision by the Circuit Court of Appeals for the Second Circuit, the Meccano, Limited, filed a petition in this Court for a writ of certiorari, giving as the reasons relied upon to secure the writ that there was a conflict of opinion between the Courts of Appeals of the Second and Sixth Circuits upon the questions involved in the case, and that the

cause should be brought before this Court for review to determine:

(1) The legal effect to be given to a prior decree in the Sixth Circuit against the manufacturer, as against a customer in the Second Circuit;

(2) Whether the preliminary injunction could be legally denied by the Circuit Court of Appeals for the Second Circuit after the prior adjudication of the same issues by the Circuit Court of Appeals for the Sixth Circuit;

(3) Whether or not the prior decree of the Circuit Court of Appeals for the Sixth Circuit entitled the petitioner to a decision in its favor on the "motion for a decision on the merits" filed in the later case in the Second Circuit;

(4) Whether or not an unsuccessful defendant in a suit in one circuit, in which his product had been adjudged unlawful, is to be permitted to relitigate the same issues with respect to the same product by assuming the defense of a subsequent suit in another circuit against one of his customers.

Upon this petition a writ of certiorari was allowed and the case was brought to this Court for review.

Promptly upon the granting of the writ of certiorari by this Court the petitioners herein moved the Circuit Court of Appeals for the Sixth Circuit to stay the accounting proceeding in the Ohio case pending a decision by this Court in the New York case.

The Circuit Court of Appeals for the Sixth Circuit denied this motion and, in the answer of that Court and of the judges thereof to the rule of this Court to show cause, they give as their reason for so deciding, that the Court was of the opinion that, as the case had theretofore been remanded to the District Court, it had no jurisdiction to order such a stay or to make an order directing the District Judge to do so,—certainly not until a like application had been made to that

Court and had been refused. In its journal entry the Court sufficiently advised the unsuccessful parties of the reason for its action. It reads as follows:

"That the motion * * * to stay all proceedings herein * * * presents a question which at this stage of the case, No. 2977, must be determined by the Court below."

And the Court and judges add that no application had been made in any way to review the action taken by the District Judge on the motion to stay.

Obviously it is a conclusive answer to the prayer of the petitioners for a writ of mandamus to the Circuit Court of Appeals and to the judges thereof directing the entry of a stay of proceedings, that the case was not, when the stay was refused, and is not now, pending in that Court.

After this overruling of their motion for a stay by the Circuit Court of Appeals for the Sixth Circuit, the petitioners herein made a similar application to the District Court for the Southern District of Ohio for a stay of proceedings until the New York case should be decided by this Court, which motion was also denied.

The District Court and the judge thereof in the return to the rule issued herein, give as reasons for such denial:

(1) That the defendants had permitted the time to expire in which to apply to this Court for a review of the decree of the Circuit Court of Appeals for the Sixth Circuit on certiorari without making any application for such review, and therefore the Court concluded that the rights of the parties as to unfair competition and copyright infringement, which remained after the holding that the patent was invalid, had become settled;

(2) That the case before the Circuit Court of Appeals for the Second Circuit was an appeal from an order granting a preliminary injunction and that to the Court, not having the

record in that suit before it, the New York case seemed to involve only the question as to the effect of the decree of the Circuit Court of Appeals for the Sixth Circuit upon the case in the Second Circuit and could not, therefore, be determinative of the rights of the parties in the Ohio case:

(3) That there did not seem to the court to be any conflict between the decisions by the Sixth and Second Circuit Courts of Appeals because the facts of the two cases, as the court was advised, were so different that the decisions could not be the same upon their merits:

(4) That from the statement of counsel for Wagner that a fire had occurred on the floor of the building in which the Wagner outfits, manuals, etc., and books had been stored, resulting in great injury to them, the court concluded it to be the part of prudence that the Marshal should take possession of such property and books as soon as possible, and that there seemed to it no good reason for further delay in the accounting.

This answer of the District Court and Judge is also clearly sufficient and conclusive. It shows that the Court was called upon to judicially determine the scope of the decision of the Circuit Court of Appeals for the Second Circuit, reversing the action of the District Court granting a temporary injunction, and whether or not that decision was in conflict with the decision by the Circuit Court of Appeals for the Sixth Circuit; to forecast, as best it might, what the scope and effect of the decision of this Court in the New York case would be upon the rights of the parties as determined in the Ohio case, and, having regard to the rights of the plaintiff and the conduct of the defendants, whether, after four years of obviously very strenuous litigation, the accounting should be further delayed by the prospect that the decision of this Court might render the results of it valueless.

Mandamus is an extraordinary remedy, to be resorted to for the purpose of securing judicial action, not for determin-

ing in advance what that action shall be. *In re Rice*, 155 U. S., 396. It may not be resorted to, as the petitioners seek to resort to it here, for the purpose of controlling minor orders made in the conduct of judicial proceedings, and the fact that the result of litigation may possibly be such that interlocutory proceedings taken may not prove of value is not a sufficient reason for calling the writ into use for the purpose of forbidding such proceedings, even though the cost of them can not be recovered from the opposing party or even though the order cannot be reversed on error or appeal. *Ex parte Newman*, 14 Wall. 152, 165, 168. This from *American Construction Company vs. Jacksonville, Tampa and Key West Railway Company*, 148 U. S., 372, 379, is sharply pertinent to the application before us:

"Least of all can a writ of mandamus be granted to review a ruling or interlocutory order made in the progress of a cause; for, as observed by Chief Justice Marshall, to do this 'would be a plain evasion of the provision of the act of Congress that final judgments only should be brought before this Court for reexamination;' would 'introduce the supervising power of this Court into a cause while depending in an inferior court, and prematurely to decide it;' would allow an appeal or writ of error upon the same question to be repeated, to the great oppression of the parties;' and 'would subvert our whole system of jurisprudence.' "

The petitioners have misconceived the scope and applicability of the remedy of Mandamus and the rule is

Discharged and the petition dismissed.

Appendix B.

United States District Court, Southern District of New York.

In Equity. No. 15/38.

MECCANO, LIMITED, *Plaintiff.*

against

JOHN WANAMAKER, NEW YORK, *Defendant.*

Plaintiff's Approval of Transfer of Liability from John Wanamaker, New York, to Structo Manufacturing Company.

Whereas, with the consent and approval of the above-named defendant, John Wanamaker, New York, there has been executed and is to be filed herein a stipulation and order substituting the Structo Manufacturing Co., an Illinois corporation, as defendant, in the place and stead of said Wanamaker,—said Structo Manufacturing Co. being the maker of the toy known as "Structo," the exploitation and sale of which by said Wanamaker is alleged in this suit to constitute unfair competition in violation of the rights of plaintiff; and

Whereas said Structo Manufacturing Co. has assumed complete charge and control of the defense of this suit, and, for due consideration, has also assumed (as confirmed by the approval and consent of said Structo Manufacturing Co. hereto subscribed through its counsel) all of the liability and responsibility of said Wanamaker arising from the latter's dealings aforesaid in said "Structo" product.

Now, therefore, the above-named plaintiff, Meccano, Limited, hereby approves and accepts the aforesaid transfer of

liability and responsibility from said John Wanamaker, New York, to said Structo Manufacturing Co., and agrees that said Wanamaker is thereby relieved of any and all liability and responsibility for any dealings in said "Structo" product procured directly or indirectly from said Structo Manufacturing Co., and said Meccano, Limited, further agrees that, in case a decree in favor of plaintiff be entered herein, it will not circularize the trade or put out any publication or advertisement referring in any way to said Wanamaker's connection with or handling of said "Structo" product.

MECCANO, LIMITED.

By J. P. PORTEUS,

Attorney in Fact.

RALPH L. SCOTT,

Solicitor of Record.

Approved:

STRUCTO MANUFACTURING COMPANY,
By CLIFFORD E. DUNN,

Of Counsel.

Appendix C.

United States District Court, Southern District of New York,

In Equity. No. 15/38.

MECCANO, LIMITED, *Plaintiff*,

against

JOHN WANAMAKER, NEW YORK, *Defendant*.

Stipulation re Party Defendant.

The above-named plaintiff, Meccano, Limited, having been advised by a notice entitled herein and filed on or about May 28, 1919, in the United States Circuit Court of Appeals for the Second Circuit, that the Structo Manufacturing Company, a corporation organized under the laws of the State of Illinois, and having its principal place of business in the City of Freeport, Illinois, is the manufacturer of the toy known as "Structo" alleged in this suit to constitute an infringement of plaintiff's rights, and is and has been since the filing of this suit the actual defendant herein, and has assumed, with the consent of the nominal defendant, John Wanamaker, New York, complete charge and control of the defense of this suit, and has been and is paying the entire cost of said defense:

It is hereby stipulated and agreed, by and between the parties hereto through their respective solicitors, and with the consent and approval of said Structo Manufacturing Company, that said Structo Manufacturing Company be and it hereby is substituted as the party defendant in this suit in the place and stead of said John Wanamaker, New York and that this cause be hereafter entitled Meccano Limited vs.

Structo Mfg. Co. (substituted for John Wanamaker, New York, as party defendant); and

It is further stipulated that all of the pleadings and proceedings herein prior to this stipulation are to be binding and effective against said Structo Manufacturing Company in the same manner and to the same extent as the same would have been binding and effective against the original defendant Wanamaker had this substitution not taken place.

Dated, New York City, N. Y., June 23, 1919.

RALPH L. SCOTT,

Solicitor for Plaintiff.

HEDGES, ELY & FRANKEL,

Solicitors of Record for

John Wanamaker, New York.

CLIFFORD E. DUNN,

Counsel for Defendant, John Wanamaker,

New York, and of Counsel for Structo Mfg. Co.

The above referred to Structo Mfg. Co. hereby gives its formal consent and approval to the filing and entry of the foregoing stipulation.

STRUCTO MFG. CO.,

By C. E. THOMPSON,

President.

Ordered accordingly:

MANTON,

United States Judge.

Appendix D.

At a stated term of the District Court of the United States for the Southern District of New York, held in the Court Room thereof, in the Federal Building, in the city of New York, State of New York, this 22d day of July, 1919.

Present: Hon. Martin T. Manton, United States Circuit Judge.

In Equity. No. 15/38.

MECCANO LIMITED, *Plaintiff*,

vs.

THE STRUCTO MANUFACTURING COMPANY (Substituted for John Wanamaker, New York, as Party Defendant), *Defendant*.

Final Decree.

This cause came on to be heard at this term, on the annexed consent; and thereupon, upon consideration thereof, it was ordered, adjudged and decreed as follows, viz:

(1) That at the time of filing of the bill of complaint herein Meccano, Limited, the plaintiff, was and now is an alien, being a subject of the Kingdom of Great Britain and a corporation existing under the laws thereof, and is entitled to maintain this suit; and that the substituted defendant, The Structo Manufacturing Company, was and now is an Illinois corporation with its principal place of business at Freeport, Ill.; and that this Court has jurisdiction over said Structo Co. by virtue of a stipulation and order heretofore filed herein by which said Structo Co. is made defendant herein; and that the subject-matter here in controversy, exclusive of in-

terest and costs, exceeds the sum or value of three thousand dollars (\$3,000).

(2) That Meccano, Limited, the plaintiff, was and now is the sole and exclusive owner of a model-builder or toy known by the trade-name "Meccano," and has the sole and exclusive property right in and to the business system involved in the sale and distribution of said model-builder and the outfits and separate units or parts thereof, all as alleged in the bill.

(3) That Structo Manufacturing Company, the defendant, well knowing the premises, by its manufacture, exploitation and sale of a toy product known to the trade as "Structo" (including manuals or books or instructions) has been guilty of unfair competition with plaintiff; and that plaintiff is entitled to a writ of injunction perpetually enjoining and restraining said Structo Manufacturing Company, and its associates, attorneys, successors, assigns, servants, clerks, agents and workmen, and each and every of them, from directly or indirectly competing unfairly with Meccano Limited by making or causing to be made, selling, offering for sale, or causing to be sold, or using or causing to be used, any model-builder or toy outfit such as "Structo," or any individual parts or units such as contained in said outfits, and any book or manual of instruction such as included with said Structo outfits or otherwise distributed and disseminated,—or by copying or imitating any Meccano trade-circular, advertisement, or other printed matter, or by imitating the boxes and containers of Meccano outfits, or the arrangement of the contents therein, or the show-case of separate parts,—or by otherwise copying, counterfeiting and imitating Meccano products,—or by putting out outfits or units capable of being palmed off in place of Meccano outfits and units,—or by otherwise using and invading the Meccano business system; and from otherwise committing any act or acts whatsoever in violation of plaintiff's exclusive rights in the premises; and

(4) That, in view of an amicable settlement between the parties hereto, the writ of injunction above referred to shall not issue, nor shall any accounting be had as between the parties, nor shall either party recover any costs or expenses as against the other.

MARTIN T. MANTON,

United States Circuit Judge.

The filing and entry of the foregoing decree is hereby consented to.

REEVE LEWIS,

RALPH L. SCOTT,

Counsel for Meccano Ltd.

CLIFFORD E. DUNN,

Counsel for Structo Manufacturing Co.

Supreme Court, U. S.

FILED

JAN 15 1920

JAMES D. MAHER,
CLERK.

Supreme Court of the United States

OCTOBER TERM, 1918

MECCANO, Limited,

vs.

Petitioner,

JOHN WANAMAKER, New York,
Respondent.

No.

18

On Certiorari to
the U. S. Circuit
Court of Appeals
for the Second
Circuit.

BRIEF FOR RESPONDENT

H. A. TOULMIN
H. A. TOULMIN, Jr.
Counsel for Respondent.

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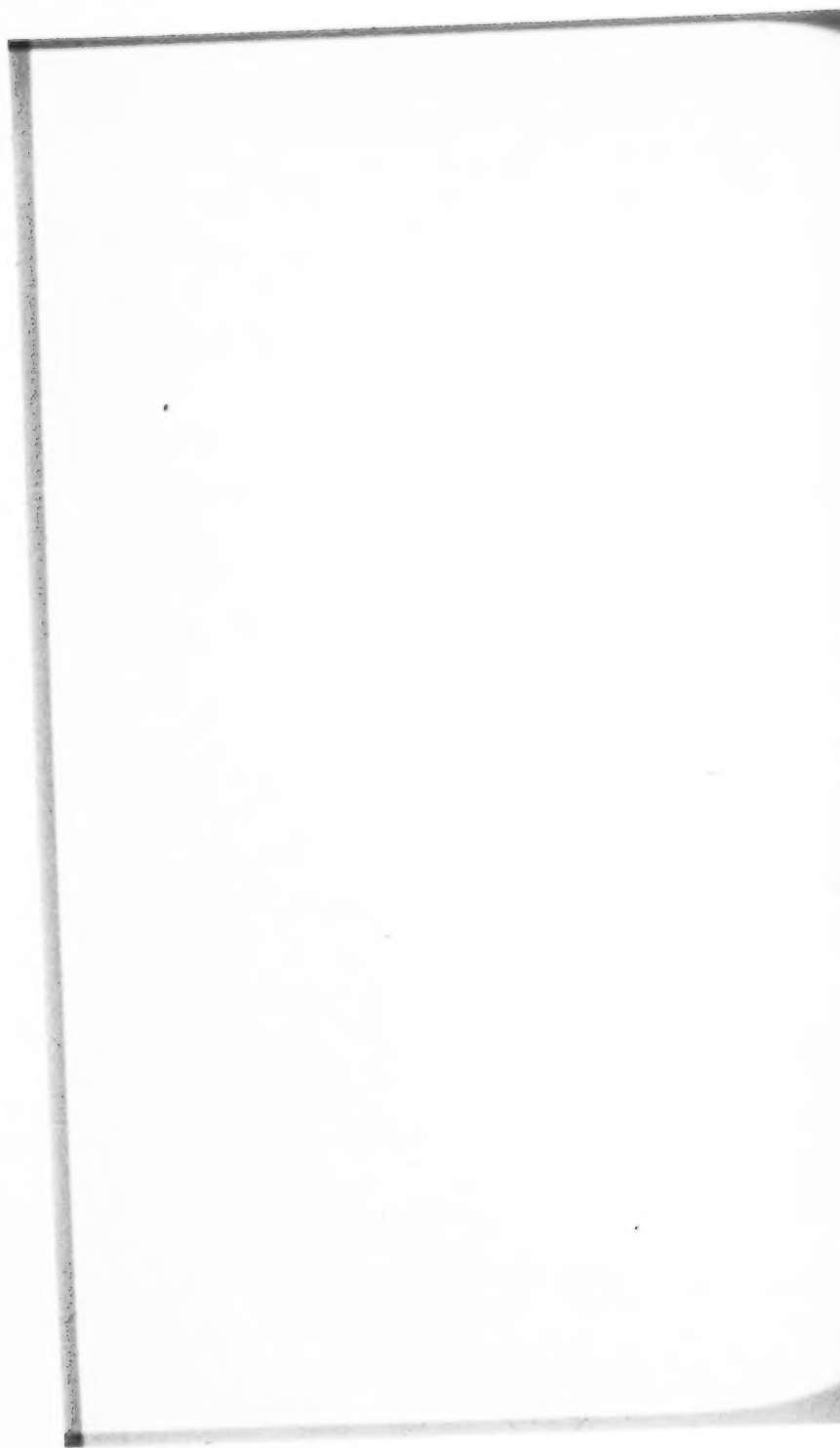
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Supreme Court of the United States

October Term, 1918

MECCANO LIMITED,

Petitioner,

—vs.—

JOHN WANAMAKER, New York,

Respondent.

No. 614

BRIEF FOR RESPONDENT

I.

Introductory Statement.

On October 31, 1918, this Court ordered the Circuit Court of Appeals for the Second Circuit to send up the Record herein for purposes of review by this Court. Such order was made in granting the Petitioner's petition and prayer for the writ of certiorari, in which this Respondent concurred on the ground that there existed a state of conflict of opinion between the Court of Appeals for the Second Circuit and the Court of Appeals for the Sixth Circuit. This conflict arose out of—

a. The action of the Court of Appeals for the Sixth Circuit in sustaining an action for alleged unfair competition based on the manufacture and sale

INTRODUCTORY STATEMENT

of a certain mechanical construction constituting a particular kind of toy, notwithstanding its holding in the same opinion, on the patent branch of the bill, that the letters patent covering such mechanical construction were null and void for want of patentable novelty, thereby making such device public property.

b. In the failure or refusal in such circumstances of the Court of Appeals for the Sixth Circuit to apply and **follow** the decision of this Court in *Singer v. June*, 163 U. S. 169, which would have resulted in the dismissal of the bill on the issue of unfair competition as well as on that of alleged patent infringement.

c. The latest contrary, and undoubtedly correct, action of the Court of Appeals for the Second Circuit in applying and **following** the decision of this Court in *Singer v. June*, 163 U. S. 169, and in holding in deciding this present case that in such circumstances the patent being at an end and the article public property, no cause of action for unfair competition, based on an exclusive proprietary right in such article, could be predicated on the sale thereof, the only requirement being that the later party's goods be distinctively named and labeled to show that they did not emanate from the other maker. Both Courts held the patent to be void—there being no conflict in that, but on the branch of the case involving unfair competition.

This conflict of opinion in the two Circuits further arose out of contrary decisions of these Appellate Courts respecting the same issue of alleged copyright infringement, the Court in the Sixth Circuit simply saying:

d. "We approve the Court's conclusion upon the

BRIEF HISTORY OF THIS LITIGATION

issues joined, except the one in relation to the patent in suit." (Rec. 132.)

e. The contrary decision of the Court in the Second Circuit holding that:

"So in the nature of things the constructing elements and the things constructed being the same, the plates illustrating them and the instructions contained in the manuals furnished with the two outfits must be more or less alike. All that should be required of other makers is to do independent work." (Rec. 150.)

Respondent's position is that the action and decision of the Court of Appeals for the Second Circuit on both of these issues was **RIGHT**.

And that the action and decision of the Court of Appeals for the Sixth Circuit on both of them was **WRONG**.

II.**Brief History of This Litigation.**

The following short resumé of the litigation in the two Circuits will be helpful to the Court, we believe.

1. That Petitioner, an English corporation, filed a bill in the United States District Court for the Western Division of the Southern District of Ohio against F. A. Wagner, then doing business under the trade name of the American Mechanical Toy Company, and Strobel & Wilken Company, a New York wholesale jobbing house, but incorporated under the laws of Ohio. In this bill it was alleged that Wagner as a toy manufacturer and the other defendant as a wholesale dealer had:

a. Infringed Petitioner's patent to one Hornby relating to constructional toys, being the same patent

3

which these two Courts of Appeals later held to be null and void, as stated above.

b. Committed acts of unfair competition in, respectively, making and selling like or closely similar toys in Ohio, and in selling some of them in New York City.

c. Infringed by the publication and sale of a toy trade catalog two certain copyrights on trade catalogs or manuals illustrative and descriptive of the mechanical parts of which such constructional toys were made, and of their uses.

2. The District Court for Ohio (the late Judge Hollister) sustained the bill on all three branches, except that respecting the patent it held it to be void as to a certain feature known as the "rectangular flanged plate," while valid and infringed as to the remainder.

3. In this situation, and on the strength of this District Court interlocutory decree (which was superseded, pending an appeal, on the giving of a \$50,000 bond) the Petitioner filed its bill against this Respondent in the District Court for the Southern District of New York, and on motion obtained a preliminary injunction from his Honor Judge Augustus N. Hand, covering the alleged patent and copyright infringement and unfair competition.*

This bill of complaint against Respondent covered not only the toys and catalogs or trade manuals which had been purchased from the Ohio defendant, but also extended to and embraced **any other** constructional toys and trade manuals therefor by whosoever produced (about a dozen different similar makes be-

*Note: As shown by the Record herein, no attack was made on the lack of financial responsibility of Respondent, and who at the time of the application for the injunction had but \$408.60 worth of these goods in stock.

BRIEF HISTORY OF THIS LITIGATION

ing then on the market), some of the prayers of this bill being:

"That the defendant, John Wanamaker, New York, and its associates * * * may be perpetually enjoined * * * from directly or indirectly competing unfairly with your orator, Meccano, Ltd., by making or causing to be made, selling or offering for sale, * * * any model builder or toy outfit, such as 'American Model Builder' * * * or by otherwise copying, counterfeiting and imitating your orator's products.*

"That the defendant may be compelled by an order of this Honorable Court to deliver up to

*Note: To avoid this broad effect of the bill, and in an endeavor to limit it to the toys and catalogs Respondent had bought from the Ohio manufacturer, Petitioner recently unsuccessfully sought to obtain leave from the District Court in New York, his Honor Judge Mayer, to amend this bill by so changing and reforming it as to cancel or modify the above averments and others in the bill so as to limit it strictly to Respondent's business in this Ohio product. Judge Mayer, in denying said motion to reform and change the scope of the bill, said:

"This is a motion for leave to amend the complaint herein in certain respects, in order to limit the cause of action to unfair copyright infringement alone on account of 'American Model Builder' product and manuals alone or, in the alternative, for leave to apply to the Supreme Court of the United States for permission to have such amendment filed in this Court.

"The views of the Circuit Court of Appeals for the Second Circuit are set forth in the opinions reported in 250 Fed. Rep. 250 and 450. * * *

"The application of plaintiff to amend is opposed by defendant, *inter alia*, on the following grounds:

"(2) That the proposed amendments narrow the charges against the defendant Wanamaker, and make out a case different from that made in the original bill now before the Supreme Court and that was before the Court of Appeals for the Second Circuit when it made its decision adverse to this plaintiff. And, therefore, the decision to be rendered by the Supreme Court, based on the allegations of the bill now before it, and defendant's answer and the proofs, may not be in harmony with the bill if changed by these amendments.

"(3) We also oppose the application to amend because the defendant has acquired certain affirmative rights and a certain status as respects the original bill as drawn, which attacked his right to deal in toys of this character generally, while these amendments would restrict his right to deal in a particular toy of this character. The broader question is before the Supreme Court on the original bill. * * *

"* * * What is asked is that this Court shall permit the complaint to be amended so as to change the scope or extent of the controversy now pending in the Supreme Court. If it be assumed, for the purpose of the argument, that the Court has the power sought to be invoked, I have great doubt as to the propriety of this Court entertaining the motion."

BRIEF HISTORY OF THIS LITIGATION

judicial custody for destruction * * * all building outfits, or building units and separate parts and manuals of instruction in its possession or under its control." (Rec. 12, 13.)

4. That shortly after this preliminary injunction was granted by the District Court in New York, the Court of Appeals for the Sixth Circuit handed down its opinion and—

a. Reversed the lower Court as to the Petitioner's Hornby patent on this constructional toy in question, holding the patent null and void in toto; and

b. Sustained the District Court on the question of unfair competition, notwithstanding that its own decision that the patent was invalid had made public property of the constructional toy as a whole; (thus disregarding the decision of this Court in *Singer v. June*).

While the opinion was elaborate (pp. 131-137, this Record) in its exposition of the prior public art on the subject of these constructional toys, to demonstrate the utter non-patentability of the same and the consequent invalidity of Petitioner's patent, yet as to the important issue of unfair competition it contented itself without going into it at all on its own account, simply saying:

"We approve the Court's conclusion [apparently not the reasons] upon the issues joined, except the one in relation to the patent in suit." (Rec. 132, middle of page.)

Then after the elaborate review of the patent questions, the opinion concludes:

"It results that the decree * * must be reversed so far as it adjudges the patent in suit to be valid or is otherwise dependent on that ruling * *" (Rec. 137.)

c. Sustained the charge of copyright infringement. But again it made no finding of its own, simply generally adopted that of the District Court.

5. That in this situation the Ohio defendants petitioned (in December, 1917, Rec. 137) the Court of Appeals for the Sixth Circuit asking for instructions as to the effect of its decree declaring the patent void in view of *Singer v. June*, to which the petition called the attention of the Court, urging its application upon the ground that that Court itself having found the patent null and void, the monopoly was at an end and no proprietary right to support unfair competition could be thereafter erected and maintained. But the Court denied the petition (January 14, 1918; Rec. 139) and entirely disregarded all question of the application of *Singer v. June*. Indeed, it ignored all reference to this decision, though it was the **basis** of the rehearing petition.

6. That while this rehearing petition remained undecided in the Sixth Circuit this New York or Wanamaker case came on for hearing (January 10, 1918, Rec. 149) in the Court of Appeals for the Second Circuit on Wanamaker's appeal from Judge Augustus N. Hand's injunctional order, the Hornby patent on this Constructional Toy having previously been held to be null and void by the Court of Appeals for the Sixth Circuit, as stated above.

7. That after the denial of our rehearing petition (on request for instructions as to the effect of the decree of the Court of Appeals for the Sixth Circuit in view of *Singer v. June*) and on February 5, 1918, (Rec. 129-30) Petitioner or Meccano moved the Court of Appeals for the Second Circuit that it make its expected opinion to be rendered on the appeal from said

injunctional order a "decision in favor of" Meccano and "upon the merits of this cause, upon the ground that the decision or decree of the * * Circuit Court of Appeals for the Sixth Circuit, in the case of Meccano * * v. Francis A. Wagner * * and Strobel & Wilken Co. * * * is final and conclusive as to the case at bar. * *" (Rec. 130.)

8. That on March 24, 1918, (Rec. 145) the Court for the Second Circuit denied said last named motion, saying, among other things, that:

"We further disregard the objection that the Ohio decree is still only interlocutory and therefore under general principles cannot in any event constitute an estoppel. * * For the purposes of this motion, we may assume that insofar as concerns the matters before the Circuit Court of Appeals, the issues have been finally and conclusively determined. * *

"What we have before us is whether, conceding all this, the plaintiff has established, or can establish, in the Ohio suit, any estoppel which will generally conclude the defendant upon all the issues raised between itself and the plaintiff by the pleadings in this suit. * *

"It is apparent that some of the issues are different from those litigated in Ohio; they involve not only the defendant's right to sell Wagner's toys and manuals, but any others which it may procure elsewhere. We have no right to assume, because the defendant allows Wagner to have the chief conduct of the defense, that it has abandoned all rights except that of getting the toys and manuals from him. * *

"Whatever may be the result here, it is apparent that the case involves more than can be so decided.

"The motion is denied." (Rec. 146-7.)

BRIEF HISTORY OF THIS LITIGATION

9. That shortly thereafter (Rec. 149) the Court of Appeals for the Second Circuit rendered its opinion reversing the injunctive order against this Respondent, following *Singer v. June* and giving rise to the—

Conflict of opinion between these two Courts of Appeals on the issue of whether (besides the conflict on the copyright infringement question) the patent on the article having been judicially decreed to be null and void, there can remain over any exclusive proprietary right and monopoly in the article thus made open to the public on which to sustain an action for unfair competition based on alleged similarity in the mechanical construction of the two articles.

The Court, among other things, said:

"A similar bill was filed in the Western Division of the Southern District of Ohio against the manufacturer of the American Model Builder outfit and its eastern sales agents who supplied the present defendant with it. * *

"Upon appeal to the Circuit Court of Appeals in the Ohio case the decree was reversed so far as it held the patent valid and affirmed as to copyright infringement and unfair competition. * *

"We concur fully with the opinion of the Circuit Court of Appeals for the Sixth Circuit as to the invalidity of the patent and think it unnecessary to do more than to refer to it **on that point.** (Heavy type ours.)

"The complainant cannot obtain a monopoly for all time of the perforated plates of the lengths having equi-distant holes and intervening spaces which it first used. These are functional features

BRIEF HISTORY OF THIS LITIGATION

of the units of construction which any one is at liberty to use. Of course, it cannot claim a monopoly of constructing the particular models or toys which it has made, as, for example, wheelbarrows, bridges, cranes, Ferris wheels, trucks, etc.

"Assuming that the public associates plates of this description with the complainant as a source and that there is likely to be confusion because of similarity of the outfits, it is a question whether it is entitled within the decision of the Supreme Court in *Singer Co. v. June*, 163 U. S. 169, to more protection than that outfits made by others should be advertised and sold as the product of the makers under names and in packages which do not simulate the complainant's.

"This is true of the outfits which the defendant sells. The name of the complainant's is 'Meccano' and of those sold by the defendant 'American Model Builder.' They are advertised as made by the American Mechanical Toy Company and sold in dissimilar packages." (Heavy type ours.)

Then as to the claim of copyright infringement, the Court further said:

"So in the nature of things the constructing elements and the things constructed being the same, the plates illustrating them and the instructions contained in the manuals furnished with the two outfits must be more or less alike. All that should be required of other makers is to do independent work.

"When it comes to the charge of actually palming off, the evidence is insufficient to justify a preliminary injunction. The defendant has of course the right to sell as much as it can of the outfit which gives it the greatest profit and to press that outfit upon its customers as against the other."

(Reference is then made in the opinion to the evi-

UNDERLYING PROPOSITION

dence, consisting largely of affidavits by Meccano's own counsel herein, Mr. Scott and Mr. Lewis, as to a purchase they personally sought from a young Wanamaker sales girl—a singular office for counsel to perform.)

9. A petition by Petitioner (Meccano) for a rehearing of its said motion for a decision on the merits of the case and for a rehearing on the matters decided in the opinion we have just reviewed; and the denial of such petition. (Rec. 152.)

10. Then the certiorari petition to this Court; and this Court's apparent recognition of this conflict in the decisions of these two Circuit Courts of Appeals by its allowance thereof. (Rec. 179-80, Order of October 31, 1918.)

III.

Underlying Proposition.

The underlying proposition now before this Court is which was right—the Circuit Court of Appeals for the Sixth Circuit holding, in effect:

That Meccano now has, and for all time can continue to hold, an exclusive monopoly in the manufacture and sale—at the time of these suits the manufacture in England and importation into this country by domestic sales representatives residing in the United States—of constructional toys made of perforated metal strips and perforated flanged metal plates, with fastening devices to secure the parts together when formed into models of larger well-known structures, the Hornby patent for such constructional toys being now null and void and such structure released to the public (as held by the Circuit Court of Appeals for the Sixth Circuit);

Or the Circuit Court of Appeals for the Second Circuit, which held to the contrary—

That no such exclusive unlimited monopoly can under these circumstances be set up and maintained, the only requirements being:

a. That the several makers and sellers shall each distinguish their goods by distinct and different names, as "American Model Builder" compared with "Meccano";

b. That the packages or "dress" of each shall likewise be distinct, as that Court also held to be the fact in respect of the packages employed by the parties in this litigation.

IV.

The Law as Laid Down by This Court.

These two holdings or propositions (a and b) of the Court of Appeals for the Second Circuit are in accordance with the law as laid down by this Court in *Singer v. June, supra*. In the course of his elaborate opinion in that determinative case the learned Mr. Chief Justice White, with his accustomed perspicuity, put this question:

"* * has the manufacturer, on the cessation of the monopoly, [the termination of his patent] the right to prevent the making **by another** of a **like machine** in the **form** in which it was made during the life of the patents * * ?" (Page 184.)

Then answering it, he further said:

"It follows, as a matter of course, that on the termination of the patent there passes to the public the right to make the machine **in the form** in which it was constructed during the patent. We may, therefore, dismiss without further comment

the complaint, **as to the form** in which the defendant made his machines." (Page 185.)

He then reviews at liberal length a number of cases of like import decided on the circuit in 1877 and following, observing:

"In *Fairbanks v. Jacobus*, 14 Blatchford 337, (1877), it was sought to restrain the defendant from making or selling an imitation of Fairbanks Scales, and from casting the words 'Fairbanks Patent' upon scales so made in imitation of scales of the manufacture of the complainant, Johnson, J., held (p. 341) that by reason of the expiration of the patents under which plaintiff manufactured his scales there was not in the acts complained of any invasion of the plaintiff's rights * * *.

"In *Singer Manufacturing Co. v. Larsen*, 8 Bissell 151, (1878), it was sought to restrain the defendant from the use of the name 'Singer' in connection with machines manufactured or sold by him. Drummond, J., observed (page 152):

"'On a machine called 'The Singer Sewing Machine' there were various patents. These patents have all expired, and nothing can, therefore, be claimed under them. Other persons cannot be prevented from manufacturing a machine **like** the Singer Sewing Machine, and which may be called, to distinguish it from other machines, 'Singer Sewing Machine'. * * *

"In *Singer Manufacturing Company v. Stanage*, 6 Fed. Rep. 279, (1881), Treat, District Judge, said (page 280):

"'The plaintiff and its predecessors had, in connection with others, through patents, a monopoly as to certain sewing machines, known as the 'Singer Machines.' When these patents expired every one had an equal right to make and vend such machines. If the patentees or their assignees could assert successfully an exclusive right to the

name 'Singer' as a trade mark, they would practically extend the patent indefinitely * * *.

" 'Sixth. The distinctive names and devices of the plaintiff corporation were not used by the defendant, and no one of ordinary intelligence could suppose that the 'Stewart' manufacture was the manufacture of the plaintiff. Each had its distinctive and detailed names and devices, so that there was no probability that the machine made by one would be mistaken for the manufacture of the other.'

"In *Brill v. Singer Manufacturing Co.*, 41 Ohio St. 127, (1884), it was held (pages 137 *et seq.*) that as Singer machines had been protected by patents and during the existence of such patents became known and identified in the trade by their shape, **external appearance or ornamentation**, the patentee could not, after the expiration of the patent, prevent others from using the same modes of identification **in machines of the same kind**, manufactured and sold by them."

"In *Cheavin v. Walker*, 5 Ch. Div. 850, (1877), it was held that the trade mark or label of the defendant, which fully stated that a filter to which it was attached, upon which the patent had expired, was made by him, did not infringe the trade mark or label of the complainant, who had succeeded to the rights of the original patentee. In the Court of Appeals * * * Bagalley, L. J., said (page 865):

" 'The Vice Chancellor thought that the words 'Cheavins Patent' were calculated to deceive the public. But 'Cheavins patent' is a correct description of the principle according to which the article is made, and there follows a distinct statement that it was manufactured by Walker, Brightman & Company. Therefore, on this ground also the case made by the plaintiff's claim fails.' " (Pp. 188, 189, 190, 194.)

Then after referring to *Singer Manufacturing Company v. Wilson* and *Same v. Loog* (2 English cases), he added:

"It may however be said that both these cases recognized the right of a party in his advertising matter to state that his machines were constructed upon the Singer **system or model**."

Then referring to the effect of the law of France on these subjects, he further said:

"On the contrary the French writers and Courts recognized the doctrine to be substantially like that which is enforced in America and England." (P. 196.)

Concluding his discussion of the law, he said:

"The result, then, of the American, the English and the French doctrine universally upheld is this, that where, during the life of a monopoly, created by a patent, a name, whether it be arbitrary or be that of the inventor, has become, by his consent, either express or tacit, the identifying and generic name of the thing patented, this name passes to the public with the cessation of the monopoly which the patent created. Where another avails himself of this **public dedication to make the machine and use the generic designation**, he **can do so in all forms, with the fullest liberty**, by affixing such name to the machines, by referring to it in advertisements and by other means, subject, however, to the condition that the name must be so used as not to deprive others of their rights or to deceive the public, and, therefore, that the name must be accompanied with such indications that the thing manufactured is the work of the one making it, as will unmistakably inform the public of that fact." (Pages 199, 200.) (Throughout our quotations the heavy-face type, for purposes of emphasis, are ours.)

A decree was then ordered to be entered below requiring the defendant in using the word "Singer," and in marking and advertising machines covered by the expired patents to unmistakably indicate that such machines were of defendants' manufacture.

Thus we submit the *Singer* case is decisive of the one now at bar in upholding and sustaining the decision of the Court of Appeals for the Second Circuit. And, conversely, is decisive in determining the incorrectness of the contrary decision of the Court of Appeals for the Sixth Circuit, which it adopted from the District Court for the Southern District of Ohio, Western Division.

It will be noted here that the *Singer* case gives two broad rights to the public and all subsequent manufacturers:

(a) That of freedom to make, use and sell the machines covered by the patents before their expiration "in all forms, with the fullest liberty." And that in the exercise of this right the later makers can (as said in *Brill v. Singer Manufacturing Company*, 41 Ohio St. 127, cited with approval) make their machines of the "shape, external appearance or ornamentation" by which, during the existence of the patents, the patented machines "became known and identified in the trade";

(b) That of freedom to use the generic name by which the machines were known during the period of the patents, with the right to state in the advertising matter that such machines were constructed upon the "system or model" of the previous machines; provided only that in such instances the later makers must so mark their machines as to show that they are of **their** manufacture.

In the case at bar, however, only one of these rights is sought to be exercised—that of buying and selling the toys themselves, and not that of using the name “Meccano,” by which they were known during the life of the patent. Instead, Respondent’s toys are known as “American Model Builder”; and are so marked, with the name of the manufacturer, “The American Mechanical Toy Company,” also clearly and boldly appearing on the packages, labels, advertisements, catalogs, etc.

V.

Petitioner’s Hornby Constructional Toy Patent.

To facilitate the Court’s application of the above rules of law to this case a brief reference to petitioner’s now terminated patent will here be made.

Judge Ward, speaking for the Court of Appeals for the Second Circuit, after holding this patent to be null and void, said:

“The complainant cannot obtain a monopoly for all time of perforated plates of the lengths having equi-distant holes and intervening spaces which it first used. These are functional features of the units of construction which any one is at liberty to use. Of course, it cannot claim a monopoly of constructing the particular models or toys which it has made, as, for example, wheelbarrows, bridges, cranes, Ferris wheels, trucks, etc.”

Applying this to the subject-matter of the Hornby patent the Court will please turn to the patent drawings and specifications following page 14 of the Record.

The “functional features,” or “units of construc-

tion," referred to by Judge Ward are there shown to comprise perforated plates in two forms—long, narrow strips or plates and shorter and wider strips or plates, the latter having their edges bent over to form flanges, which also are perforated. Fastening devices too are shown, so that these "units of construction" can be united in forming different models imitative of larger structures, as wheelbarrows and swings, etc. The "perforated strips 22 and the plate 7" are repeatedly referred to in column 1, page 2, of the Hornby patent, in describing the make-up of the several models.

Claims 1 to 8 of the patent deal with one of these features, the flanged perforated plate. Claims 9 and 10 deal with **three general elements**, "in a working model, toy or the like," namely:

- (1) Such perforated flanged metallic plate.
- (2) "Other perforated mechanical elements" (meaning narrow strips of metal having holes).
- (3) "Means engaging perforations" in the other parts (meaning screws or little bolts to fasten these several parts together).

All of this subject-matter of functional mechanical parts is public property by reason of the cessation of this patent. (And is public property also because of the prior state of the art as later shown.) Yet Petitioner is seeking, under the guise of alleged unfair competition, to establish a continued or perpetual monopoly in these general structural features.

The Court of Appeals for the Sixth Circuit held that Petitioner can have such unlimited monopoly in the subject-matter of a defunct patent. This was contrary to *Singer v. June*.

The Court of Appeals for the Second Circuit has

PETITIONER CONTENDS 2nd C. C. A. SHOULD NOT HAVE EXERCISED
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held that Petitioner cannot have such unlimited monopoly in such subject-matter. This was in obedience to *Singer v. June*.

VI.

This is the whole case on the alleged unfair competition question. But Petitioner goes off with other proposals, such as this:

That the Circuit Court of Appeals for the Second Circuit should not have exercised any independent judgment—should not have rendered any opinion of its own, but in a perfunctory manner should have blindly, slavishly and obediently followed the contrary holding of the Circuit Court of Appeals for the Sixth Circuit.

This course would have deprived John Wanamaker of the right of trial or hearing in a Court having jurisdiction over him or his company; and would have deprived a learned co-ordinate Court of the right and duty to exercise its own independent judgment, and have reduced it to a mere conduit through which the judgment of another Court should pass—as air through a tube and water through a ditch.

And for this extraordinary proposal they offer this Court the following grounds, which they also already have urged unsuccessfully on the Court of Appeals for the Second Circuit:

A. That the decree of the Court of Appeals in the Ohio case was a final decree.

B. That the subject-matter in litigation there and in the Wanamaker case was identical.

C. That the parties were identical, actual or in privity.

And on these assumed conclusions they assert that this Court should now **"instruct"** the Court of Appeals of the Second Circuit to so abrogate its own functions and judgment; and to forthwith adopt and make as its own the decision of the Court of Appeals of the Sixth Circuit—which it does not believe in, as shown by its own contrary decision, founded on *Singer v. June*.

We shall answer these proposals in their order.

A. Decree—Is Not Final, But Interlocutory.

The first and all-sufficient answer to this contention that the Court of Appeals for the Second Circuit should have followed the Court of Appeals for the Sixth Circuit is that the decree in the Sixth Circuit was, and is yet, merely **interlocutory** and not final. No recovery or money award has yet been made; or can be until the Master, to whom the cause has been referred to take an account, has made his report;* nor

*Note: This decree is printed at page 139, *et seq.*, this record. On page 142, paragraph 10 of the decree, the case is referred to a Master to take and state an account. But as this decree entered by the District Court after the mandate of the Circuit Court of Appeals went down, was deemed to go beyond, and to be inconsistent with, and a violation of, the decree, the Circuit Court of Appeals had affirmed, the Ohio defendants petitioned the Court of Appeals for a writ of mandamus against the District Court to compel conformity of the District Court decree with the decree the Court of Appeals had directed to be entered, by the elimination from such district decree of the provisions of paragraph 7 (Rec. 141) commencing with "is hereby granted"; paragraph 8 (Rec. 141-2) and paragraph 15 (Rec. 143). The Court of Appeals received and acted on said petition, and issued an order on the District Court suspending carrying said decree into effect and requiring the District Court to show cause why the petition should not be granted. The District Judge (the late Judge Hollister) filed his response to the cause order, and the mandamus petition was heard in the Court of Appeals at its term commencing October, 1918. It sustained the mandamus petition and ordered certain portions of the District Court decree stricken out to conform it to its own decree. These are all matters of record in the Court of Appeals for the Sixth Circuit and we refer to them in this foot note merely as explanatory, that nothing may be kept from the knowledge of this Court. *Such is the state of the decree that the petitioner contends is now a final decree or such in effect, an obvious error. The Court of Appeals for the Second Circuit could not, and did not, regard these decrees as final.*

DECREE—NOT FINAL, BUT INTERLOCUTORY

until such report shall have been passed upon by the District Court; nor yet until the Court of Appeals for the Sixth Circuit shall have reviewed and determined such action by the District Court. As yet Petitioner has not made its case before the Master. Only some preliminary orders and responses have been made. Petitioner indulges in many contentions, and uses many words, to show that the decree in the Sixth Circuit is, somehow, if not exactly final, nevertheless sufficient to support the contention of *res judicata*. But the fact remains that such decree was and is merely and purely interlocutory. It may later be modified by the Court of Appeals for the Sixth Circuit immediately after this Court decides this case, without waiting for the Master's report.

Therefore, the decree, which it is contended the Court of Appeals for the Second Circuit should have followed is purely interlocutory, and counsel for the Petitioner have, in effect, confused *res adjudicata* with *stare decisis*.

That such decree is interlocutory under the law, we beg to cite the following cases:

Hills v. Hoover, 142 F. 904.

Brush Electric Co. v. Western Electric Co., 76 F. 761, 22 C. C. A. 543.

Ogden City v. Weaver, 108 F. 564, 47 C. C. A. 485.

Australian Knitting Co. v. Gormly (C. C.), 138 F. 92.

Keystone, Etc., Co. v. Martin, 132 U. S. 91, 10 Sup. Ct. 32, 33 L. Ed. 275.

McGourkey v. Toledo & Ohio Railway Co., 146 U. S. 536, 13 Sup. Ct. 170, 36 L. Ed. 1079.

Barnard v. Gibson, 7 How. 650.

Humiston v. Stainthorp, 2 Wall. 106, and cases cited in note.

DECREE—NOT FINAL, BUT INTERLOCUTORY

- Estey v. Burdett, 109 U. S. 633, 637.
 Hohorst v. Hamburg-American Packet Co.,
 148 U. S. 262.
 Smith v. Vulcan Iron Works, 165 U. S. 518.
 California Bank v. Stateler, 171 U. S. 447, 499.
 Craighead v. Wilson, 18 How. 199.
 Bebee v. Russell, 19 How. 283.
 Lodge v. Twell, 135 U. S. 232.
 Union Mutual Life Insurance Co. v. Kirchoff,
 160 U. S. 374.
 Hollander v. Fechheimer, 162 U. S. 326.

In the certiorari petition in this case Petitioner cited Lovell-McConnell Mfg. Co. v. Automobile Supply Manufacturing Co., 235 U. S. 383, and *in re* Sanford Fork & Tool Company, 160 U. S. 247, to the point that those cases show that the present Ohio decree is final. **Those cases fail to sustain that position.**

The Lovell case does not hold that a decree awarding an injunction and an accounting, and appointing a Master, is final and creates an estoppel, but merely that it was the intention of the statute under discussion to cover such a decree. This Court distinctly says that the decree in that case was "interlocutory in character," and that "in a technical sense the decree in question was interlocutory." Reference to the interlocutory character of the decree is made a number of times in that opinion. No question of estoppel was involved, but merely the construction to be given a statute covering costs. On the question of estoppel, such decrees have always been held to be interlocutory, as seen from the cases cited above.

The Sanford case does not hold that a decree of the kind in this case is final, and can be used as the basis for *res adjudicata*, but merely holds that questions once decided by this Court will not be re-examined in

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a "subsequent stage of the **same** case." The question as to whether the decree was final was not under consideration. The case does not apply here.

We may add that in *Ex Parte* National Enameling & Stamping Co., 201 U. S. 156, a patent suit, this Court reiterated that a decree is not final while an accounting is pending. The decree now before this Court (Rec. 139) appoints a Master and directs an accounting (Rec. 142) as stated above.

B. Subject Matter—Toys and Business Acts of Wanamaker.

As to the contention of Petitioner that there is identity of subject-matter, we may reply that the mechanical subject-matter is exactly the same in both cases, namely, the functional elements or devices comprising a constructional toy, as pointed out above; but that the business acts or course of dealings in these articles by Wanamaker having been personal and peculiar to him or his company, in their retail business must of necessity be different from the course of dealing by the Ohio manufacturers in their wholesale business.

C. Privy—Wanamaker and the Ohio Suit.

Petitioner also urges privity between Wanamaker and Wagner, one of the Ohio defendants mentioned in the decisions in the Sixth Circuit. But there is nothing in such contention. It rests on what is shown by Respondent's answer to certain interrogatories (Rec. 121). Judge Hough passed on these interrogatories and said:

"The propriety of these interrogatories must be tested by inquiring whether the answers to

them would tend to prove that any person or corporation against whom the validity of the patent in suit (this was before the patent was held invalid) has been conclusively established is or is not privity to the present action.

"The latest decision elucidating this point is *Rumford Chemical Works v. Hygienic, Etc., Co.*, 215 U. S. at 160. It is there held that mere contribution to the defense of an action does not make one a privity with the defendant."

He then held that all those interrogatories "which seek to ascertain whether any one is merely contributing to the expense of defending this action" were "obviously immaterial." (Rec. 120.)

The answers to the remaining interrogatories show that "the **control** of the defense * is in the defendant, while the **management** is in the hands of J. Chester Johnson, Esq., defendant's own paid counsel, Toulmin & Toulmin, general patent counsel for The American Mechanical Toy Company, and Pliny W. Williamson, Esq., their New York associate solicitor"; The American Mechanical Toy Company having sold to Respondent some of its constructional toys, as to which it gave "assurances to hold defendant harmless." (Rec. 120-1.) And it was in view of this that the Court of Appeals held, in disposing of Petitioner's motion for a "decision on the merits," that "we have no right to assume" that the Respondent "has abandoned all its rights except that of getting its toys and manuals from him" (meaning Wagner). (Rec. 147.)

It is obvious from these simple circumstances that Wanamaker is nowise estopped by anything that took place in the Ohio litigation. It was not represented in that suit. It did not have its day in Court until

this later action was brought against it. Its past and future business was involved; and its right to hereafter deal in this class of toys, now public property, whether purchased from the Ohio manufacturer, **or others**, of which there are many engaged in manufacturing this class of goods, **was at stake**. The learned Judges in the Second Circuit saw this and decided the case accordingly. It is also obvious that Petitioner has gotten "the cart before the horse," since Petitioner is trying to estop Wanamaker, not by any former and final adjudication against Wanamaker, but merely because The American Mechanical Toy Company, the corporation, (not even Wagner personally), has been assisting in the Wanamaker defense. And to add to the difficulties in Petitioner's contention, it must be said that there has as yet been no adjudication at all, of any kind whatsoever, on the merits against The American Mechanical Toy Company. It was merely impleaded in the action against Mr. Wagner after the Court of Appeals for the Sixth Circuit had rendered its decision herein against Wagner and Strobel & Wilken. (Rec. 131.)*

And this right of Wanamaker to have this cause determined by the Court of Appeals having jurisdiction over him (his corporation Respondent), and also

*Note: On February 11, 1918, Judge Hollister made an order impleading The American Mechanical Toy Company as a party to the suit against Mr. Wagner, *et al.* A reference to the decision of the Court of Appeals for the Sixth Circuit (Rec. 131) and the subsequent interlocutory decree of the District Court (Rec. 139) will show that this corporation was not a party to the suit—so entirely so that it had to be later impleaded at a time when the decisions and judgments in the case had already been made. And it is this corporation, not Wagner, that is referred to in the answers to the interrogatories. The case against the corporation has not been even tried as yet. On December 6, 1919, Judge Peck (Judge Hollister's successor) signed an order transferring it from the Court in Cincinnati to the Court in Dayton, where this corporation is located, and where the case against Mr. Wagner, a citizen of Dayton, ought in fact to have been tried in the first place. (Judicial Code, Sec. 100.)

this recognition of the fact that the decree in the Sixth Circuit was interlocutory and not final, are both specifically stated in the opinion of Judges Rogers, Learned Hand and Mayer. (Rec. 145.) In that opinion they denied Meccano's motion (Rec. 130) "for a decision [in favor of complainant-appellee, Meccano], on the merits of this cause." They said:

"We further disregard the objection that the Ohio decree is still only interlocutory and therefore under general principles cannot in any event constitute an estoppel. * * * For the purposes of this motion, we may assume that insofar as concerns the matters before the Circuit Court of Appeals, the issues have been finally and conclusively determined."

"What we have before us is whether, conceding all this, the plaintiff has established, or can establish, in the Ohio suit, any estoppel which will generally conclude the defendant upon all the issues raised between itself and the plaintiff by the pleadings in this suit.

"We think it clear that that decree cannot have any such effect, and Judge Ray so ruled in *Van Epps v. International, Etc., Co.*, 124 Fed. R. 542. The cases which generally come up are those in which in the first suit the manufacturer has intervened to protect the customer, and it has been held that the decree then entered will be a good estoppel in the second suit instituted against him individually. We may assume that Wagner's intervention here is of such a kind as would create a good estoppel against him in any subsequent case. The case at bar, however, is exactly the reverse, and unless all issues are the same in each case, we should not dispose of the suit in this summary manner. It is apparent that some of the issues are different from those litigated in Ohio; they involve not, only the defendant's

rights to sell Wagner's toys and manuals, but any others which it may procure elsewhere. **We have no right to assume, because the defendant allows Wagner to have the chief conduct of the defense, that it has abandoned all rights except that of getting the toys and manuals from him.** While we do not hold that the decree is an estoppel, taken strictly, even as to those toys and manuals, we may even suppose that, Wagner having now intervened, it is such. Still it would make no difference in the result of this motion * *

*." (Rec. 146, 147.)

It was after this opinion that the Court of Appeals for the Second Circuit made its decision on the merits of Wanamaker's appeal, and then decided that this Petitioner could have no exclusive right in the use of the mechanical construction of perforated parts, as such structures had passed to the public at the cessation or defeat of the patent.

Yet, Petitioner is here contending that the Court of Appeals for the Second Circuit should have followed the Court of Appeals for the Sixth Circuit. We say and submit here:

(A) **That the Court of Appeals for the Second Circuit was right in making its own decision;**

(B) **That the decision it did make was also right.**

And in exercise of its right to reach and express an independent judgment the Court of Appeals for the Second Circuit simply declined to apply the rule of comity. *Mast, Foos & Co. v. Stover*, 177 U. S. 485. Nor did the Court of Appeals for the Second Circuit follow the opinion of the Court of Appeals for the Sixth Circuit in the decision of the former in the rubber tire litigation involved in *Consolidated Rubber Tire Company v. Diamond*, 157 Fed. 677, and in which

this Court later granted a certiorari petition on the ground of the conflict of opinion between these two Courts of Appeals of the two circuits. (212 U. S. 574.)

In their certiorari petition they cited on the question of privity between Wanamaker and Wagner and his corporation the cases of *Linn & Lane v. U. S.* 236 U. S. 574; *Simmons v. Doran*, 142 U. S. 417; *Brill v. Washington Ry. Co.*, 215 U. S. 527; *Postal Telegraph Cable Co. v. City of Newport*, 38 S. C. R. 566, 62 L. Ed.; *Merriam Co. v. Saalfield*, 190 Fed. 927, 6th C.C.A.

But these cases have no application because in each of them there had been a **final decree** on which to erect a question of privity.

VII.

Petitioner has also suggested that the status of an article in the hands of a customer after it has been held fraudulent and unlawful in a suit against a manufacturer, has not been directly decided by this Court.

Be that true or untrue, it is only a moot question here for the following reasons:

a. Because there has been in this case no final or determinative decree holding the constructional toys in question fraudulent or unlawful. To the contrary the Court of Appeals for the 2nd Circuit has held them to be lawful and free. It is therefore quite premature to assume at this time that the toys dealt in by Respondent are unlawful.

b. Also because the statement that the article involved is fraudulent or unlawful is a begging of the question, since Petitioner brought this case to this Honorable Court for the very purpose of having authoritatively settled here the conflict of opinion

which has arisen as to whether these constructional toys are or are not fraudulent and unlawful.

These simple but fundamental considerations seem to us altogether sufficient to dispose of the query Petitioner precipitately offers.

Petitioner further offers the suggestion whether an unsuccessful defendant in a suit in one Circuit, in which his product has been adjudged unlawful, is to be permitted to re-litigate the same issues on the same product by assuming the defence of a subsequent suit in another Circuit against one of his customers.

This, in effect, is restatement of the same general question in another form. The following replies dispose of the proposition presented in this latter form.

A. That in this case, there has as yet been no unsuccessful defendant in a legal sense, because, there has been no final decree in the Ohio case. As we have repeatedly pointed out, the suit against the original defendants has only developed into a interlocutory decree, with the case pending before a Master for an accounting, while as to the impleaded defendant, the corporation known as The American Mechanical Toy Company, there has as yet been no trial at all; and this too, is the Ohio defendant which, as elsewhere stated in this brief, has been rendering assistance in the defense of this New York suit against Wanamaker.

B. That this same contention was made by the Petitioner before the Court of Appeals for the Second Circuit in support of its motion for a decision on the merits. But the motion and the contention with it was overruled in the opinion of that Court, found at page 145 of the Record.

These considerations seem to be sufficient to dispose of this repetition of unfounded propositions al-

ready overruled by the learned Court in the Second Circuit.

VIII.

In their certiorari petition the following cases were discussed. We beg leave to briefly point out their inapplicability to this case.

Merriam v. Saalfeld, 190 F. 927 (C. C. A 6) does not apply to this case on the question of estoppel because in that case the decree relied on was **final**, while in this case it is interlocutory.

Brill v. Wash. Ry. Co., 215 U. S. 257, does not apply for the same reason. In that case also the decrees under review by this Supreme Court were final decrees, one by the Supreme Court of the District of Columbia dismissing the bill, and the other by the Court of Appeals for the District affirming the dismissal. Both decrees were final.

But even so, this Court did not rest its decision on the final decree against the manufacturer, but proceeded to decide the case on its merits, holding that the patent was not infringed, which affirmed the two District decrees.

Linn & Lane Timber Co. v. U. S. 236 U. S. 574, has no application whatever to the case at bar. In that case an individual was sued within the time fixed by the statute of limitations. Before any decree and a few months later a corporation, his successor, was "brought into the suit," but this was "more than six years" after the action accrued. The corporation had fraudulently hidden the title to the land patents and the individual defendant was found to have connived with the Company in the fraud. In this situation it was simply held that the suit, having

been brought against the individual within the statutory time, would operate to save the interests of the Government as against the corporation on the ground of privity between the individual and the corporation. But all this is quite unlike binding Wanamaker by the interlocutory decree in Ohio, no matter whether that decree be treated as against Mr. Wagner personally or, for purposes of this case, against the later Ohio corporation (against which, however, not even a trial has yet taken place), since in any event there is no final decree in the Ohio cases upon which to predicate an estoppel against Wanamaker.

Simonds v. Doran, 142 U. S. 417, has no particle of application here. That case held that where individuals, who organized a corporation, had actual or constructive knowledge of defects in the title to the lands they deeded to the corporation, such knowledge, actual or constructive, extended to the Company.

Postal Telegraph v. Newport, 247 U. S. 464, was a case where there had been a **final** decree by the Court of Appeals of Kentucky, notwithstanding which this Court held there was no privity between the defendant in that action and the defendant then before this Court because the transfer of property from one defendant to the other took place before the action was brought against the first defendant.

But it is obvious that neither this Court nor the Court of Appeals for Kentucky could or would have held that there was *res judicata* between the two defendants, no matter what the date of the transfer from one to the other, had there not been a final decree in the first action.

In the case at bar it is shown that there is no final decree in Ohio, and hence there can be no question of

res judicata against Wanamaker, no matter (for this purpose) what may be the relation of the Ohio defendants to each other.

Rock Spring Co. v. Gaines Co., 246 U. S. 312, does not apply here because in that litigation there had been a former final decree dismissing the bill of complaint. But here there has been no final decree **anywhere**.

Hart Steel Co. v. Ry. Supply Co., 244 U. S. 294, does not apply. In that litigation there had been a final decree dismissing the suit in one circuit, and this was held to support the defense of *res judicata* in the second suit, the parties being in privity, as the defendant in the second suit was substantially owned and was controlled by the defendant in the first suit.

But all this has no application here as against Wanamaker, first, because there is no final decree in this litigation upon which to predicate *res judicata*, and second, because Wanamaker has no relation of privity to the Ohio defendants, individual or corporate.

Penfield v. Potts, 126 F. 475 (C. C. A. 6), does not apply. In that litigation there were a number of suits by the same plaintiff on the same patent against a number of different manufacturers. By stipulation all the evidence taken in either case was to be used in the others, and the expenses of the defense in all the suits were equally borne by all the defendants. These facts were known to the plaintiff.

The Court held that the first **final** decree to be rendered would control in the remainder of the cases. But here the whole basis was the **finality** of the decree which was to control.

Sacks v. Kupferle, 127 F. 569, does not apply. Here again there had been a **final decree** in a Mass. case

before the second or Missouri case was decided. As the Missouri defendant had undertaken the "full defense" of the Mass. case, the **final** decree in the Mass. case was held decisive of the Missouri case.

Warren v. De Camp, 154 F. 198, is another case without application here. In that litigation there were two suits against parties which were in privity, and the Court simply held that the **final decree** in the first suit was conclusive of the second suit.

Kempe's Lessee v. Kennedy, 5 Cranch 173, is not applicable at all. In that case there had been a judgment by a Court of Common Pleas in favor of the defendant. In a subsequent suit the Court directed a verdict for that defendant. In this Court the contention of the plaintiff in error (defendant below) was that the Common Pleas judgment was erroneous and an absolute nullity. This Court simply held that though the former judgment was erroneous, it was nevertheless a judgment until reversed and that it could not be disregarded.

Forsyth v. Hammond, 166 U. S. 506, was simply a case where the plaintiff sought relief first in the state Courts of Indiana and then in the Federal Courts. The Supreme Court of the State having decided adversely, she prosecuted her demands in the Federal Courts, resulting in a conflict of opinion between the Supreme Court of Indiana and the Circuit Court of Appeals for the Seventh Circuit. In this situation this Court held that the plaintiff was estopped upon principles of *res judicata* by the judgment of the Supreme Court of Indiana, which was **final**.

New Orleans v. Citizens Bank, 167 U. S. 371, also does not apply here. In that case part of the controversy was covered by two previous **final judgments**

between the same parties, and the Court held that *res judicata* applied.

Southern Pacific v. U. S., 168 U. S. 1, does not apply here because the judgment of *res judicata* in that case rested upon **former final decrees** between the United States and the Southern Pacific Railroad.

Bates v. Bodie, 245 U. S. 520, turned on the application of a **final decree** in a former suit between the same parties. A **former final decree** in Arkansas was held to estop the plaintiff from suing in Nebraska on a demand within the scope of the **final decree**.

Hubbell v. U. S., 171 U. S. 203, has no application here for the like reason that there had been a previous **final judgment** by the Court of Claims in a previous action between the same parties on the same demand. The **final decree** supported the defense of *res judicata*.

Case v. Beauregard, 101 U. S. 688, was to like effect, namely, that a prior **final decree** supported the defense of *res judicata* in a second suit.

National Fdy. Co. v. Oconto, 183 U. S. 216, held that a "final decree" entered in a former creditors' suit was conclusive in the subsequent suit on a foreclosure proceeding on the ground of *res judicata*.

Hancock Nat. Bank v. Farnum, 176 U. S. 640, recognizes and applies the conclusive effect of a prior judgment **when it is final**. But as there is no final decree in this Ohio litigation, that decision has no application here.

Finally, Kessler v. Eldred, 206 U. S. 285, was cited. But that case turned on the decree in the suit against the manufacturer being a **final decree**, finally adjudicating that the manufacturer was not an infringer. The whole structure of the doctrine announced in the Kessler case was this **finally adjudicated right**. But,

as we have so often said, as there is no final decree at all in this litigation, in favor of either party, the Kessler case, like all the others above reviewed, is not pertinent.

IX.

Prior Art

These Constructional Toys Open to the Public.

Aside from the invalidity of the Hornby patent having thrown open to the public all that it contained, the following additional public art may be noted in justification of Respondent's right to deal in these constructional toys, and in further opposition to the demands of Petitioner for an exclusive monopoly in that which is thus shown to be common public property. This public art amply shows one common System of building up various models, imitative of large structures, from perforated strips, and perforated plates, with fastening devices. All of these prior patents are based on this one System, each patent presenting detail variations, such as a given spacing between the perforations, a given length for the strips, and a given number of holes in the respective strips. In all, the perforations are essentially equi-distant, either as to all or some of the perforations, while in some cases stress is laid upon the equi-distant spacing of the perforations by specific statements to that effect.

Again, there is shown in this prior art the other common feature of this System, the making of these toy outfits with strips in groups of different lengths, so that one group of strips is one length, another group another length, and still another group yet an-

other length, the strips of each group having the same number of holes. All this was old.

These disclosures of the prior art match exactly with the void Hornby patent in suit, and with his alleged System of standardization of parts, to which Petitioner is now seeking an exclusive unlimited monopoly.

Illustrative Summary of Prior Art.

See the sheet inserted opposite this page. It epitomizes the art as shown in the record in this case.

(1) Note Petitioner's (plaintiff's) perforated strips at the top of the sheet (left hand).

(2) Now compare these strips with all the like or similar strips shown below them, with their equi-distant perforations—all for the same use and purpose as Petitioner's—that of building small models of large structures.

(3) Then note Petitioner's Hornby perforated plate at the top of the right-hand side of the sheet.

(4) Now compare with that plate the several older plates of the prior art, with their equally spaced perforations.

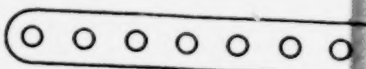
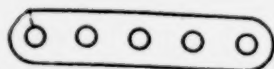
(5) Observe now the middle group of figures showing Petitioner's wheels with perforations and compare with the like prior art wheels also similarly perforated for the same purpose—for use in building up the models.

(6) Next, note the right-angle pieces or "brackets" of Meccano and compare with their forerunners in the older art.

(7) And finally see the "fastening screws" of Petitioner and the similar or like screws used by others at much earlier dates, being part of the public stock of things.

STRIPS

Plaintiff's Perforated Strips (Patent



Lillenthal 1889 German Patent.
 FIG. 14. Pat. says holes equi-distant

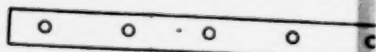
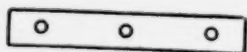


FIG. 4. Quackenbush 1877 Patent.

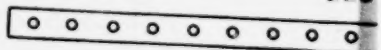
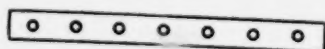


FIG. 6. Fairbanks 1873 Patent.

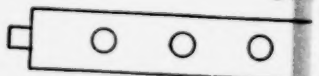
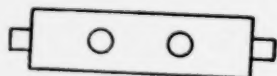


FIG. 1. Hornby 1906 Patent.

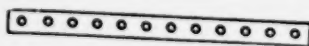


FIG. 5. Walther 1904 German Patent.

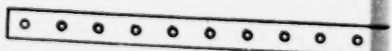


FIG. 1. Jenss' 1895 English Patent.



Von Leistner 1895 Patent.

Manufactured by Harris 1897-1900-"Iron Constructor"
 FIG. 2.



PLATES

PLAINTIFF'S PLATE (PAT. IN SUIT)

QUACKENBUSH 1877 PATENT
FIG. 2.

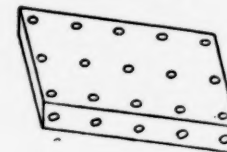
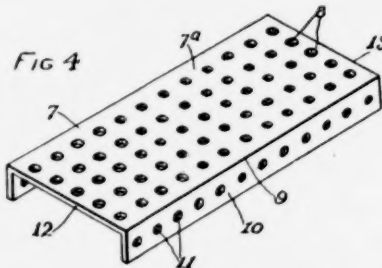


FIG. 9.

FIG. 2.

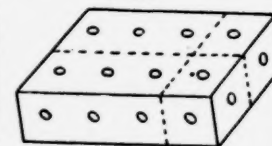
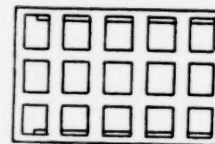
FIG. 5.

FIG. 1.

NENTWIG 1902 PATENT
FIG. 19.

FIG. 21

BURTON 1898 PATENT
FIG. 1



WHEELS

HORNBY 1906 PATENT
FIG. 3.

FAIRBANKS 1875 PATENT
FIG. 2.

MECCANO WHEELS
SHOWN IN EXHIBIT SET.

KILBOURN 1903 PATENT
FIG. 15.

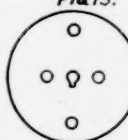
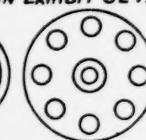
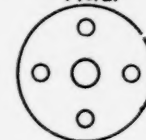
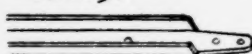


FIG. 5.

FIG. 1.

ter"
FIG. 3.



BRACKETS

JENSS' 1895 PATENT
FIG. 1.

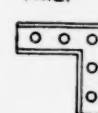
HORNBY 1906 PATENT
FIG. 1

FIG. 2.

HORNBY PATENT IN SUIT
FIG. 5

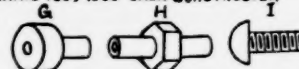
FIG. 6

WÄLTER 1904 GERMAN PATENT
FIG. 2.

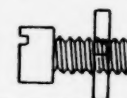


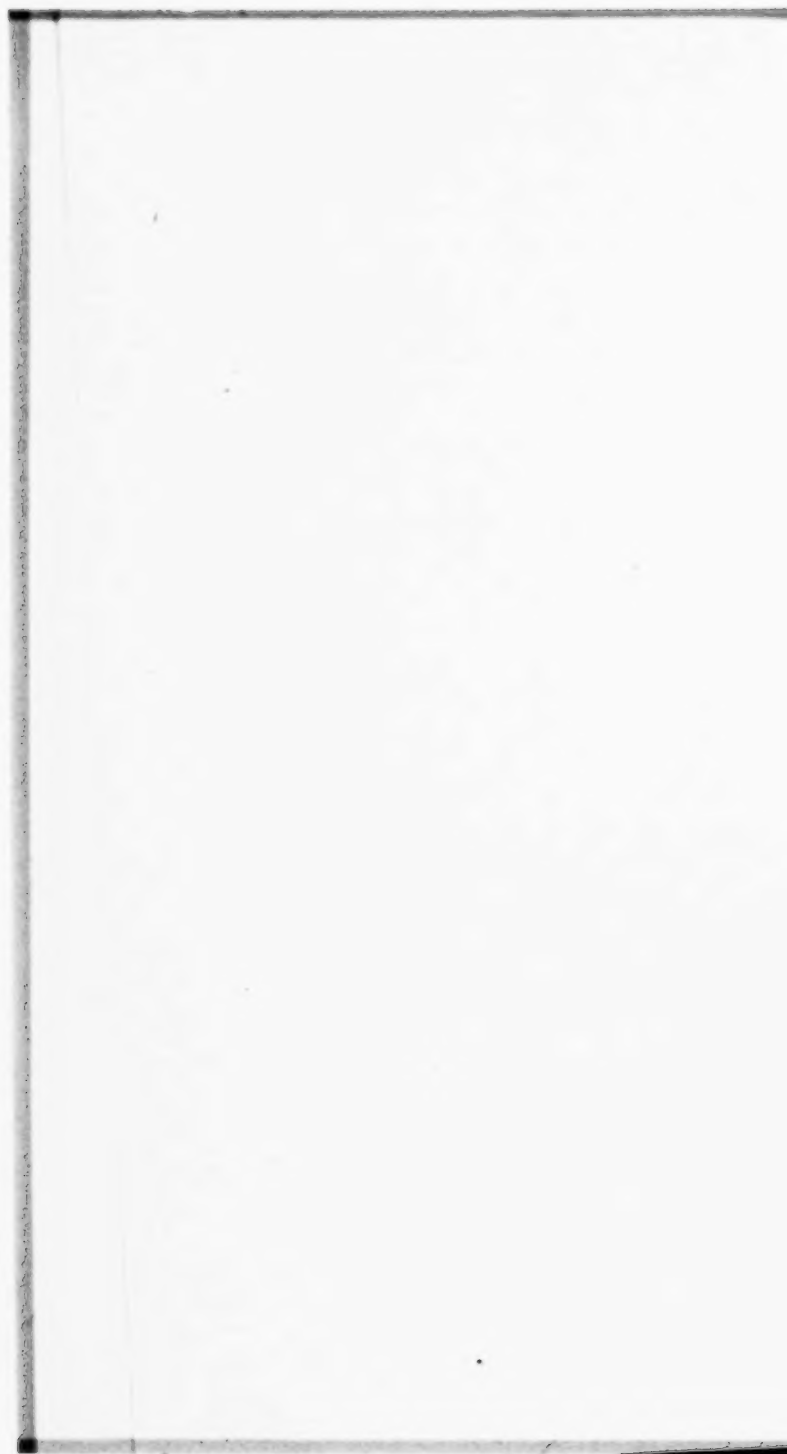
MANUFACTURED BY VON LEISTNER PATENT
HARRIS 1897-1900 "IRON CONSTRUCTOR"
FIG. 1 & 2.

VON LEISTNER 1895 PATENT FASTENING SCREWS
MANUFACTURED BY HARRIS 1897-1900 "IRON CONSTRUCTOR"



MECCANO FASTENER





Yet, in spite of all this, and in spite of the Meccano or Hornby patent of 1913 (in suit) being now null and void, Petitioner is endeavoring to set up a claim of exclusive proprietary ownership or unlimited monopoly in these old functional mechanical devices, after its unsuccessful effort to do so in the Second Circuit.

To what lengths are we coming in mad endeavors to secure trade monopolies?

There is nothing in our constitutional provisions regarding inventions and short limited patent monopolies; nothing in our statute law; nothing in our public policy of trade encouragement; and nothing in the decisions of this High Court to justify or support such a claim—yet this plaintiff corporation (it is an English Company, Ltd.) is insisting vehemently that it be judiciously rewarded an endless monopoly of this kind.

The Court of Appeals for the Second Circuit saw this, and held against it, resting its conclusion on *Singer v. June*, by this Court.

It was right!

X.

Prior Art Patents Individually.

For the convenience of the Court we shall now offer a brief summary of the several prior patents individually.

1. Lilienthal 1878 Patent.

It presents a System or standardization of groups of strips of one length, with three holes; groups of strips of another length, with five holes; groups of strips of another length, with eleven holes. The speci-

fication says that these materials "can be used in building up models of various descriptions, also in furnishing instructive playthings"; and that "the material for the construction of these models consists of strips. * * all of various lengths and perforated systematically at regular intervals." Metal plates are also shown and described, with perforations; see Figs. 3, 4, 6 and 25. The claim includes this statement: "The building of various models from strips of various lengths which contain many perforations at regular or equi-distant intervals. * * "

This leaves nothing of novelty in the Hornby patent in suit or the alleged Hornby System. If it be urged that the Hornby flanged plate rises to the dignity of invention over the flat perforated plate of Lilienthal, the answer is that a flanged plate, perforated in the body, was published in Plaintiff's Exhibit 41 more than two years before the Hornby application.

2. Quackenbush 1877 Patent.

This discloses the same System of perforated strips and perforated plates to make varieties of models, with wheels to combine with the strips and plates. The plates are perforated in the body and in the edges, as in the case of the flanged plate. The specification says:

"The perforations are regularly and uniformly arranged in the several parts to correspond, and insure a perfect register when the same are assembled."

Here the standardization of the parts by making the perforations in one to correspond with those in the other parts, to insure perfect register, is emphatically stated.

The perforations in Quackenbush's plates, in the body and in the edges, perform exactly the same office as the perforations in the body and in the flanges in the patent in suit, to-wit, the office of receiving the fastening devices. There is nothing in the Hornby patent of substantial or actual novelty over the Quackenbush.

In view of these structures and this System of standardization of perforations in each part to match with those in each other part, it is clear that the patent in suit presents no substantial or patentable novelty. Quackenbush even goes much further—shows more and teaches and specifically describes the alleged Hornby system of standardization of the perforations in the respective parts.

3. Burton 1898 Patent.

Here are the System and the perforated parts, some being in the nature of plates, as in Figs. 1, 2, 8 and 9. The perforations are equi-distant. In Fig. 1, for instance, they measure half an inch apart, center to center, while the specification says they are "at intervals of $\frac{7}{8}$ of an inch in rows." (Top p. 2, Col. 1, Burton specification.)

And Burton also shows and describes "wedge-shaped blocks V." (Figs. 5 and 6, and lines 125 *et seq.* p. 2 spec.) These blocks or parts are, therefore, "sectors," or sector plates, in substance and effect. There could not, in view of this, be anything patentable in making some of Hornby's plates of sector form.

4. Walters 1882 Patent.

Here again is the same System: flat metal plates which are provided with hooks and eyes, so as to be

secured together, are used. Different objects are formed by these plates. They have small flanges or "perforated ears or projections," such as D and G. So this system is carried out by means of metal plates, which, in substance, are flanged, with perforations in the flanges, while the body of the plates has openings to represent "windows, doors or other parts of a house." This was a pretty broad teaching of the use of metallic plates. The opinion does not consider this patent.

5. Fairbanks 1873 Patent.

This is another illustration of the same system, perforated strips and perforated wheels being used. The specification says:

"It is important that the holes B or tenons A be evenly spaced on the straight blocks so that when short blocks are interposed between a pair of long ones they will match accurately. The holes in the wheels or rollers A-1 A-2 should also be carefully spaced, so that they will match accurately in any position."

Here again is the old feature of standardization of parts and "evenly spaced" holes in a device comprising perforated strips and perforated wheels for making a variety of models.

6. Nentwig 1902 Patent. (Application filed September, 1901.)

In this the System is carried out by means of large perforated plates and small hook plates. The roof, for instance, of the model of a house is framed with the large perforated plates, and then the small plates with hooks are applied thereto to form the finished

roof. Thus the models are partly made up of perforated plates, to which are connected other and smaller plates. This patent was not treated in the opinion.

7. Kilbourn 1903 Patent.

In this patent the System is carried out by the use of a perforated base plate, the holes being equi-distant and uniform in size, together with strips adapted to be inserted in the perforations, and themselves having holes to receive other parts; and wheels on axles carried in perforated frames are also shown.

8. Wing 1909 Patent.

Here the System is carried out by means of long narrow perforated strips, with fastening devices to connect the strips together, a Ferris wheel, so composed in miniature, being shown in Fig. 1 of the patent. The specification says:

"My invention relates to improvements in toys and more particularly to one consisting of a number of metal parts which may be connected together in different ways to produce toy bridges, Ferris wheels, towers, tank platforms, elevators, frame work for buildings and various other mechanical, architectural, and engineering structures."

9. Jenss 1895 Patent.

Here again we have the System of toy building from perforated strips, the strips being of different lengths, some of the lengths comprising more than one strip, together with right-angle pieces and fastening devices; a bridge being illustrated in the patent, the specification saying:

"The object of this invention is to supply an easy and simple method of making frame models of buildings or structures of various kinds on a small scale. * * *

"It consists of simple strips or angle pieces of metal or whalebone or any suitable material, with holes formed preferably near the end, and connected at right angles or otherwise to each other by means of tiny screws and nuts."

10. Leistner 1895 Patent.

Here again this System of toy building is fully disclosed and carried out by the use of long, narrow perforated strips and fastening devices. Each strip bears a definite relation to the other strips in the sense that all the strips are of proper length and perforated to be combined in forming different models. The specification is very long and instructive. Among other things it says:

"It is the special object of this invention to furnish members of a set which bear to each other certain geometrical and mathematical proportions, so that, practically speaking, an unlimited number of constructions can be made with a very small number of members of our improved set."

This Leistner toy was the subject of manufacture at Toledo in 1897 and thereafter.*

System of Furnishing Subsequent Sets and Parts to Enlarge Original Sets Sold.

This System also was commonly in use in the toy

*Note: This fact was before the Court of Appeals of the Second Circuit by reason of the record in the Ohio case being before that Court. And all this is now in effect before this Court under the stipulation concluding at page 127, this record. The Ohio record was in evidence as an exhibit in the Courts below—District and Second C. C. A.,—and in this way is, in effect, before this Court.

trade long before Petitioner entered the business. See Calderhead's testimony about Richter's 1887 supplementary system then on the market (Ohio Rec. 60). And this supplementary system was also in commercial use in marketing the Leistner or "Iron Constructor" toys by Harris at Toledo in 1897 and following. In marketing the "Iron Constructor" Harris advertised that "Additional pieces for enabling the builder to get a greater variety of structures may be obtained at reasonable prices where you bought your box." (Ohio Rec. 49, Vol. 2.)

Manuals Accompanying Sets.

Richter (whose toys and manuals were on sale in New York City as early as 1887—Ohio Rec. 250, 447) and Harris also practiced enclosing with original outfits manuals and sheets illustrating models beyond the capacity of such original outfits, thereby suggesting to the user the purchase of more parts or a supplementary set—thus making the manuals operate to effect new sales, a project later employed by this Petitioner.

Wagner 1915 Patent. (Application Filed March 27 1912.)

This patent is inserted in this record (page unnumbered), about midway the collection of prior art patents. The features covered by it are a new type of wheel illustrated in Fig. 5, and a new means of causing an electric motor, 28, to impart rotary motion to the ground wheels in first one direction and then the other, to cause the toy to run back and forth, which novel features were included in the American Model Builder toys, manufactured in Ohio and bought by

DRESS OF RESPONDENT'S AND PETITIONER'S OUTFITS

Respondent. These patented features were used with the old perforated strips and plates.

Result.

The result of the foregoing considerations is that in addition to this System and means of building up toy models being now public property by reason of the invalidity of Petitioner's Hornby patent, such System and mechanical features are shown to be older than Petitioner's adoption of them and to belong to the public stock of things; and yet these are the things Petitioner is seeking to monopolize under the guise of maintaining a case of unfair competition against Respondent because of its sales of toys embodying this old System of mechanical features; and this, notwithstanding Respondent's dealings in them have been carried on under a name wholly unlike Petitioner's name, in packages or boxes bearing labels wholly unlike Petitioner's; and with catalogs having covers and labels also obviously different in appearance from those of Petitioner, **as specifically held** by the Court of Appeals for the Second Circuit. (Rec. 150.)

XI.

"Dress" of Respondent's and Petitioner's Outfits.

As to these matters the Court of Appeals for the Second Circuit made the finding that Respondent's—

"names and * packages * do not simulate the complainant's. * * The name of the complainant's is 'Meccano' and those sold by the defendant 'American Model Builder.' They are advertised as made by the American Mechanical

DRESS OF RESPONDENT'S AND PETITIONER'S OUTFITS

Toy Company and sold in dissimilar packages." As to these matters also, and particularly as to the manuals, Judge A. N. Hand said:

"I do not think the books containing the plates, or the covers or other ornamentations of the catalogs of the defendant, are sufficiently similar to those of complainant to mislead the public."

But he did think the "plates" within the catalogs would mislead. In this latter he overlooked the important fact that the perspectives of Respondent's "plates" were different from Petitioner's and were half-tones—a photographic process—while Petitioner's are all wood-cuts.

Manuals.

Petitioner's 1911 manual cover was nearly white, with two boys in light yellow clothes lying down, with a green windmill between them, and the word "Meccano" below in large green letters. Respondent's 1912 manual (its first year) cover was essentially gray and black, with a man and a boy in gray and black clothes, and the name "American Model Builder" in light brown.

Petitioner's manual covers for 1912 and 1913 were essentially the same as those of 1911.

Respondent's 1913 manual cover was pale green, with a red monogram "A. M. B." in one corner and the name "American Model Builder" in red letters on the green back, with a man and a boy in light colored clothes and a picture of a building made of strips.

Thus the manuals were wholly unlike in appearance. See also the backs of Respondent's 1912 and 1913 manuals, the one gray and the other green, with a monogram and black eagle, while the backs of Peti-

tioner's manuals for 1911 and 1912 and 1913 were plain white.

Names Widely Different.

Petitioner's toys have always been called "Meccano" and Respondent's "American Model Builder," between which there is no similarity, visual or phonetic.

But the Courts in Ohio seem to have given no weight to these considerations, though primary and controlling.

Labels.

We have said they were different. Meccano's 1911 box label was yellow, with "Meccano" in large **red** letters and the bust of a boy in a **red** shirt, with a river and a bridge spanning it.

Respondent's 1912 box label was cream colored, with a border in red lines, the label representing the inside of a room, with a man in dark clothes seated on a chair, and a boy kneeling on the floor, with dark trousers and light shirt, with a cut of a Ferris wheel in black and white, and the words "American Model Builder" in red and black across the top. These were prominent features.

Nobody could mistake one of these labels for the other, and so could not mistake the goods.

Petitioner's 1912 label was light yellow, with a border of heavy green lines, the center representing an ocean scene, with factories in the background, the water scene and factories being dark green, with a part of the upper figure of a boy seated at a table, with a small model on the table. The name "Meccano" at the top of the label was in large red letters. In the

DRESS OF RESPONDENT'S AND PETITIONER'S OUTFITS

body of the label was shaded in, in light brown, cuts of various models, such as a large bridge, a wheelbarrow, windmill, derrick, etc.

This, too, was unlike Respondent's 1912 label just described.

Respondent's 1913 label had a light green background, with a buff strip across the bottom, a red monogram, "A. M. B.," in one corner and the name "American Model Builder" in red across the pale green background, with a man and boy in light colored clothes, and a central figure of a large building made of strips, on a buff base, and a shield in red with "4" in white.

This will be enough to show that the names and labels are distinctly unlike.

Contents of the Boxes.

The features of similar appearance are the **functional features** of the prior art, to-wit, perforated strips and perforated plates. Petitioner originally used **black** plates, but later adopted Respondent's **nickel-plate** in silver-like appearance of the toys sold by Respondent. (Ohio Rec. 449.)

Respondent's wheels, pulleys and crown gears are nickel, while Petitioner's are brass. Petitioner originally used the grooved axles, and clips to secure the wheels on the axles, but later appropriated Respondent's type of wheel, collar and set-screw. (Ohio Rec. 441, 433.)

XII.

Alleged Acts of Unfair Competition.

The Court should first understand that there are some twelve separate makes of these constructional toys on the market, as "Anchor Blocks," "Model Crane," "Erector," "Master Builder," "The Young Mechanic," "Struktiron," "Bings," "Modelit," "Matador," "Walthers," and "Erector Builder." (Ohio Rec. 443-6, 448.) Some department stores and retail toy dealers purchase one line, and some two or more lines. The retailers' custom is to display American Model Builder, Meccano and these various other makes, whether all or one line is carried, in their boxes, spread out on the counters "for the choice of the retail buyers." The labels show in plain view when the boxes are closed, and the catalogs lying on the contents likewise show when the boxes are displayed open, or are opened by a purchaser as he inspects before buying. And the labels on the inside of the cover are also in plain view when the tops are thrown back. Such is the general practice of the retailers. See the testimony of Petitioner's witness Calderhead. (Ohio Rec. 54 and bottom p. 60 *et seq.*) And during holiday seasons, when these and other toys are "demonstrated" (exhibited) the clerks use the NAME of the particular make in dealing with customers. When two lines are demonstrated in the same retail store, they are placed in different aisles, sometimes on the same floor, and separate clerks cry each line.

Under all these trade conditions there could not be, and has not been, any palming off by this Respondent of their toys as those of the Petitioner.

Finding of 2nd C. C. A. On Palming Off.

That Court said:

"When it comes to the charge of actually palming off, the evidence is insufficient to justify a preliminary injunction. The defendant has of course the right to sell as much as it can of the outfit which gives it the greatest profit and to press that outfit upon its customers as against the other. The testimony of Paterson, one of the defendant's employees in Philadelphia, on which the complainant relies, goes no further than this. As to the Koenig sale in Philadelphia in 1912 and the Scott and Lewis incident in New York in 1916, it is to be observed that in each case the purchaser asked for the American Builder models and got them. In the former case it is said the sales girl described the American Builder as the new Meccano to Koenig and in the latter the sales girl by perhaps an error in the sales slip described it as Meccano. The American Model was not palmed off on the purchaser as the Meccano in either case." (Rec. 150; 250 F. 452)

Evidence on This Question.

No customer of the Wanamaker store has given any affidavit or other evidence of ever having been deceived. The proof on this issue on Petitioner's side cannot commend itself to the Court. It did not to the Court of Appeals, as just seen. It consists of affidavits by counsel for Petitioner, and an affidavit by one Koenig, a detective, concerning an alleged transaction at the Wanamaker store in 1912, a stale matter.

Mr. Scott (Rec. 61-3) and Mr. Lewis both counsel-witnesses for Petitioner, (Rec. 100-1) say that in November, 1916, they visited the Wanamaker store

and purchased from a salesgirl an American Model Builder outfit. They then went to the counter containing "separate parts" of that make of toys and were asked by a sales-girl if they would like to "buy some American Model Builder parts," to which they assented, selecting two American Model Builder sector plates (one of the two forms of perforated plates). The girl, they say, made out a sales-slip, marking it with "2 Meccano parts."

On this slender incident they proclaim wilful unfair competition by the reputable Wanamaker.

Contrary Proof.

They were careful not to ascertain or state the name of the salesgirl, so that the girl's side of the story might be told. In that situation we have had to make the next best proof of which the incident was capable. We took the affidavit of Miss Emilie Kahrs, who says she was 18 years of age and on or about the 24th day of November, 1916, was employed by John Wanamaker as saleslady in its toy section; that her sales number was 1579 W W; that on that day, while engaged in her customary duties, she was requested by a fellow-saleslady to make out a sales-slip of **what she understood** to be two Meccano parts; that accordingly she made out such a sales-slip "No. 11377-29-WW"; that she did not, however, personally wait on the customer who made this purchase of what "she understood to be two Meccano parts," and that in making out said sales-slip she did not know of her own knowledge whether two Meccano parts were sold, or whether the parts in question belonged to an American Model Builder or to one of the other toys having such parts. (Rec. 90.)

This lady clerk's number 1579 WW and the sales-slip No. 11377-29-WW correspond exactly with the data on the sales-slip Petitioner's counsel took with the purchase.

Is this a creditable transaction upon which to charge John Wanamaker with palming off goods? And is it commendable or permissible professional ethics?

The further evidence on behalf of John Wanamaker is the affidavit of Mr. Marston, connected with the toy department for sixteen years as Assistant Buyer and Department Head, and also the affidavit of Mr. Botthoff, Assistant Buyer in Wanamaker's toy department for three years and before that Head Stockman for seventeen years. (Rec. 88, 89.)

Mr. Marston testifies that at no time during the period that he had been head of the toy department have salesmen or salesladies, to his knowledge, ever offered to customers American Model Builder parts for Meccano parts or vice versa; that it is contrary to the expressed instructions given every sales person in his department, and, in fact, throughout the Wanamaker store, not to misrepresent any goods or to offer to sell to a customer any one brand when they have requested some other brand of another manufacture.

Mr. Botthoff testified that as Assistant Head of the toy section he had personal charge of the sales people; that at no time had he, or any one else in authority, given instructions to sales people to mislead by claiming that the American Model Builder and Meccano were the same; that on the contrary all sales people in his department have explicit instructions that at no time should the public be offered a different toy

from that requested on the theory that one is the same as the other.

And further, that as the sales people in his department are at no time familiar with the cost of the toys to John Wanamaker, it is impossible that any sales person could assure a customer that the reason John Wanamaker was handling the American Model Builder in greater volume than Meccano was that better terms were quoted John Wanamaker on the former.

Koenig (Rec. 53). Petitioner's Remaining Witness, a Detective, Makes Affidavit of an Incident Four Years Before This Suit was Brought.

This is a pretense that in selling an American Model Builder outfit, a salesgirl at Wanamaker's, New York, put in the package a sales-slip bearing:

"1 Set Meccano	\$4.00
1 Book .....	.15
	<hr/> \$4.15"

The matter, if true, is stale, having taken place in November, 1912, while the bill herein was not filed till December, 1916. (Rec. 14.) It rests on the unsupported statement of one Koenig, a procured witness or detective. He contradicts himself. In his deposition in the Ohio case he said he did not know who wrote this on the slip, but that it was given to him by the salesgirl at Wanamaker's. (Ohio Rec. 144-5.)

In his affidavit on the injunction motion in this case he produced this slip and said "the salesgirl wrote" this matter on the slip. (Rec. 56.)

On cross-examination, he admitted he first noticed

the word Meccano on the sales-slip **after** he arrived at his office and opened the package (Ohio Rec. 147), thus again contradicting his affidavit.

On cross-examination he declined to answer questions as to the bona-fide character of the name under which he conducted business. Admitted Mr. Scott, of counsel for Petitioner, sent him on this errand, and that he was "told * to procure the information and outfits desired" (Ohio Rec. 146); and that with all this in mind, he talked to the salesgirl about "both makes" (Ohio Rec. 147); and that Petitioner's counsel paid him for the set he purchased and for his services. (Ohio Rec. 148.)

Koenig Letter to Wanamaker.

The purchase took place November 22, 1912. The next day Koenig wrote Wanamaker Company, saying: "A short time ago I purchased a No. 3 American Model Builder outfit, and now wish to purchase an accessory outfit."

To speak of the day before as a "short time ago" was disingenuous and purposely misleading. Koenig further says:

"Also let me know if you carry the American Model Builder or Meccano Accessory outfits or will you be obliged to order the same from the factory in Dayton, Ohio."

Here was a trick intended to mislead Wanamaker. Notice how Koenig spoke of the American and Meccano with the disjunctive *or*, as though one was the same as the other, and particularly how he asked if Wanamaker would be obliged to order the "same" from the factory in Dayton, pretending that he thought Meccano would come from Dayton. Here

was a deliberate attempt to confuse and make evidence.

But the Wanamaker people were not to be misled. Their reply quotes the price of Meccano accessory outfits, and then quotes the price of American accessory outfits. The Wanamaker writer even called the Meccano 1-A, 2-A, etc., and the American 1½, 2½, etc. (See letters, Rec. 57.)

The above is enough to condemn this witness, and any one who may stand sponsor for him.

Schmitt (Rec. 83).

After representing Meccano with headquarters in Berlin, Schmitt came to this country to be a traveling salesman for Meccano. He says on October 31, 1913, (observe the staleness of the date) he called at the Wanamaker store in Philadelphia and was told by an unnamed buyer that they had a small stock of Meccano, but were pushing American Model Builder, as it made them more money; and that it was "the same thing"; that he, this buyer, always tried to sell American Model Builder instead of Meccano to customers who asked for Meccano and that in that way the buyer was selling ten American Model Builders against one Meccano and that if Schmitt would give him a better price on Meccano he would push it.

This story, even if accepted as against the practice and policy of John Wanamaker, as stated in the affidavits referred to above, does not make a case of unfair competition. If Wanamaker preferred to urge American Model Builder to a customer who asked for Meccano, the customer clearly was not deceived because in that way he had his attention called to both makes and could take his choice.

Patterson (Rec. 79).

He gave a deposition in the Ohio case and Petitioner offered it on this motion, but why is not quite clear. Mr. Patterson was in the Wanamaker Philadelphia store supervising toy sales. **He said that customers asking for Meccano got Meccano;** (and the Court of Appeals so held); that they carried different kinds of constructional toys; that they showed them all, and where a customer insisted on Meccano he got Meccano; that the customers always knew what they were getting before they purchased; **that John Wanamaker did not sell American Model Builder to persons desiring Meccano;** that the clerks explained the differences between the different toys; **that as between American Model Builder and Meccano, the former has a coarser mesh in the gear wheels than the latter; that in one some parts are gilded, while in the other some are nickel finish;** that the Model Builder has an eccentric drive wheel and oscillating rack, which the others do not have, and that the separate parts of the Model Builder are a little cheaper, while the pinions in the Meccano are cheaper than the pinions in the American Model Builder, and that to his knowledge customers coming into John Wanamaker's store have not been deceived as to Meccano and American Model Builder, nor been told that the two makes were the same.

We submit that Petitioner has not established a case of palming off, nor shown that John Wanamaker has been guilty of any act of unfair trading, and that what little *ex parte* showing they have adduced is sharply rebutted by defendant's affiants.

The other alleged incidents of unfair trading, such as the correspondence between the Ohio manufac-

turer and Cook and Burton, the Spitz, Read and Curtis Publishing Co. incidents, besides being stale matters that occurred, if at all, in 1912, **are matters with which this Respondent had no concern and of which he had no knowledge.** They certainly do not bind Respondent or can have any influence upon this Court as against the interest of this Respondent. This closes the matter of alleged unfair competition.

We submit, first, that the patent having been declared void, the Singer case now applies and controls; and second, that the "dress" of Respondent's toys, being unlike the "dress" of Petitioner's toys, no case of unfair competition or palming off has been made.

XIII.

Copyright.

On this subject also the two Courts of Appeals are in conflict.

On this subject the Court of Appeals for the Second Circuit said:

"So in the nature of things the constructing elements and the things constructed being the same, the plates illustrating them and the instructions contained in the manuals furnished with the two outfits must be more or less alike. All that should be required of other makers is to do independent work." (Rec. 150.)

And this is exactly what is shown by seven witnesses, six of whom were wholly disinterested parties, who testified as to the making of the manuals sold by Respondent. They were the printers, photographers, designers and stenographers, none of whom

have been contradicted by a single witness for Petitioner in this or in the Ohio suit.

On this the Court of Appeals for the Second Circuit refused to enjoin Respondent.

The Circuit Court of Appeals for the Sixth Circuit, itself, made no finding on this subject. It simply adopted that of the District Court, which in turn confined itself to a very narrow and restricted statement of copyright infringement, saying that the labors of the makers of the manuals Respondent has sold were "expended largely in paraphrasing the language of **some** (black face ours) of complainant's statements and descriptions in its manuals so as to describe the same thing in somewhat different language." (Middle page 17 Rec.)

This was a very narrow finding, yet on it the whole book was enjoined. **Only** "some" of the statements and descriptions were held to have been paraphrased; and this was **limited** to the description of "the same thing"—meaning the perforated strips, etc.—**all old things which must be described in the language common to mechanical devices of their kind.** Nor was the alleged paraphrasing language, or any part of it, pointed out, so that one can determine, wholly or in part, what the District Court deemed to be the objectionable matter. Clearly a *nisi prius* Court in making a finding of alleged fact of this nature should give something more than a generalization, **unhelpful to the parties and unhelpful to the Appellate Court.** And should also confine its decree to the limits of its finding, and not make a narrow undefined finding as to special parts of a book, and then enter a decree enjoining the whole book.

Courts in Ohio Gave No Weight to Undisputed Testimony of Photographers, Printers, Etc.

Again, the Courts in Ohio gave no weight to the undisputed evidence of the photographers, as to making the photographs for the catalog illustrations from views selected by them from models set up specially for the purpose, and not from Petitioner's illustrations, which they had never seen; and no weight to the testimony of the printers, who set up the printed matter according to their own ideas as catalog printers, without knowing anything of Petitioner's manuals; and no weight to that of the stenographers who took Mr. Wagner's dictation of his descriptions, prices, tables of parts, etc., with the models he was describing set up before him, and without the presence of Petitioner's books.

And even without giving due or any weight to this uncontradicted evidence, still the finding was limited to "paraphrasing"—not copying—"some" of the "descriptions" of the "same thing"—but how many, or which descriptions, and what "same things," and from **which** of the copyrighted books, Exhibit 42, or 42a, or 38, or 38a, does not appear in the finding. Nor does it appear what "material and substantial" copyrighted matter will be found in Petitioner's manual, etc., "either paraphrased or in the same words."

And it was as against this ruling of the District Court in Ohio that the Court of Appeals for the Second Circuit reached the contrary conclusion—that there was no copyright infringement, and therefore reversed the injunctive order.

Defendant's 1912 Manual Only Involved in Copyright Infringement Charge in Ohio Case.

In the Ohio case Petitioner based its claim of copyright infringement upon the 1912, and not upon the 1913, manual of Respondent. See the decree in the Ohio case. (Rec. 140.)

This 1912 manual has not been used by this Respondent since early in 1913, when the new manuals for 1913 were published. (Wagner, p. 426 Ohio Rec.) The claim is stale. Petitioner itself discarded these copyrighted 1911 books when its new ones came out for 1912. There is no current injury—only an effort to recover statutory penalties. In this New York case the bill, Sec. XI., does not confine the charge of infringement to the 1912 manuals, but the Court below, probably not noticing the matter, allowed the injunction to extend beyond the 1912 manuals (Rec. 117-18), though the Court intended to follow the District Court in Ohio.

In this Wanamaker case Petitioner has produced in this Court only Respondent's 1912 manual.

Two decisive situations, each we deem sufficient to decide the copyright claims entirely against Petitioner, are conclusively proved by Respondent:

First: That there was no infringement, as Respondent's manuals were created as the result of original and independent labor, thought and skill on the part of Mr. Wagner; were not copied from the manuals of any one else in any particular; and no use in any way was made of any one's manual when the manuals of Respondent were produced.

Second: The alleged copyrights are void:

(a) Because the statute was violated by a prohibited importation of large numbers of these copy-

righted manuals, (Exhibits 38 and 42), which were printed in England and bore the United States copyright notice on their face. These were shipped into the United States and sold during 1911 and 1912.

(b) Because Petitioner had already dedicated to the public the material and substantial parts of these publications by distributing to the public generally in the United States prior to the copyrights on No. 38 and 42, a manual known as Petitioner's Exhibit 40. The material dedicated by the prior publication of Exhibit 40 appears in the comparison under the heading "Comparison of Manuals," elsewhere in this brief.

What is Test of Infringement Under Copyright Law?

The copyright law differs from the patent law fundamentally at this point: the copyright law will give protection by virtue of its grants to two persons for the same thing, provided each has arrived at his result without improperly employing the work of the other to produce his own.

The manuals sold by Respondent in this case have been conclusively proved to have been the product of the independent and original work of Mr. Wagner and his associates in his business and the photographers, printers, etc. Respondent's manuals have also been duly copyrighted. No use of any other manual or production of similar kind of any one was made by Mr. Wagner or his associates.

As stated, the Ohio defendant Wagner, and six corroborating witnesses, testified as to the original and independent methods of production of the manuals of the American Model Builder.

On the proof herein of the independent work done by the publisher in Ohio of the manuals this Respond-

ent used in selling the toys it would seem impossible to find infringement. It is urged that the cuts have in some instances a similar general appearance to Petitioner's cuts. But this is of no consequence, where the cuts have been independently made, and where both sets of cuts merely portray common objects built-up of common materials.

Not a scintilla of evidence has been adduced in this case to show that, in making the manuals Respondent sold, the author copied or made use of the manuals of Petitioner.

To the contrary, it is shown most completely that Respondent's manuals were independent works.

There is not a line or word of contradiction or rebuttal of a single statement of Mr. Wagner and the six witnesses who testified as to their part in producing the manuals of Respondent's, and who corroborated Mr. Wagner. The testimony of these seven persons stands unchallenged.

In *Davies v. Bowes*, 209 F. 53, Judge Hough forcibly and clearly states what is infringing a copyright on a book. He says:

"In order to obtain relief for alleged infringement of a copyrighted publication, the **burden is on complainant** to show that the copyright exists and that **copying has taken place.**" (Black face ours.)

A Detail Statement of How Respondent's 1912 Manuals Were Produced.

The clear and brief statement of Mr. Wagner in his testimony sets forth the nature of the original work of himself and his associates in producing these 1912 manuals. He says:

"The 1912 manual was made—in producing the 1912 manual we first made the models of the various articles we wished to show and these were built up from our own material. These models were then photographed by the U. B. Publishing Company of Dayton, Ohio. From these photographs half-tones were made and from these half-tones the printing was done. The parts required for the various models, as well as a description of the various models, was dictated by myself to my stenographer and forwarded to the printer." (Ohio Rec. 424.)

Ideas of Models Derived from Common Objects, Sketches, Photographs, Etc.

Miss Smith, stenographer of Mr. Wagner, testified that, in getting up the various models which were to appear illustrated in his 1912 manuals, he derived his ideas for these models from various sources, such as catalogs of machinery, illustrations of various kinds of mechanism, photographs and postal cards illustrating well-known structures in this country and abroad, and similar illustrations. (Smith Qs. 19-24, Ohio Rec. 339.)

Built-up Models: Dictated Description and Lists of Parts.

In getting up his description of the models he had built up from various parts he had manufactured from his designs, Mr. Wagner dictated these descriptions and these lists of parts to Miss Smith, his stenographer at that time. Miss Smith testified that Mr. Wagner had the models before him and dictated descriptions of them. (Smith Q. 17, p. 339, Ohio Rec.) Both Miss Smith and Mr. Wagner counted the parts in the models, and Miss Smith recounted them at

times to verify the count, in order that the number of parts should be detailed in the 1912 manual. (Ib. Q. 28, XQ. 34, p. 339, 341.) No Meccano manual, or manual of any one was used in any way, but the description and the listing of the parts was entirely independent labor and the result of the work of Mr. Wagner and Miss Smith, in working from the original models themselves, which Mr. Wagner had built up from ideas derived from the sources detailed above. (Ib. Q. 25, 26, p. 339; XQ. 38, p. 340.) Miss Smith also testified that there was practically no revision of the dictation by Mr. Wagner (Ib. XQ. 43, p. 341); the work was, therefore, done in her presence, with only the models before Mr. Wagner and herself and was not changed afterward—a clear and distinct piece of evidence, un rebutted, of the nature of the independent work done by Mr. Wagner in getting up these manuals.

Mr. Wagner, himself, states his method: "I dictated from the original model itself and the number of parts were dictated from the count of the parts in the particular model." (A. 108, Ohio Rec. 425.)

Models Taken to U. B. Publishing House; Photographer Matthews Determined Sizes and Point of View of Photographs.

J. J. Matthews, head of the Photographing Department of the U. B. Publishing House, Dayton, Ohio, testified that Mr. Wagner brought to him the built-up models he wished photographed, and also built up other models after those first models had been photographed. (Matthews Q. 14 and 16, Ib. 331.)

Matthews says the point of view and the size of the photograph were determined by himself. (Matthews

Q. 22, Ib. 331; XQ. 60, Ib. 334.) The matter was left to his judgment because of his experience and skill in commercial photography, after Mr. Wagner had suggested what he wanted done. (Ib. 331.)

Mr. Wagner explains the method employed in photographing these models:

"The selection of angles of the photographs was left entirely to the photographer, as we explained to him at the start that we wanted all detail possible shown up plainly in the view and the angle was taken with this object in view." (Ohio Rec. 425, Q. 106.)

Engravings Made and Half-Tones Produced by U. B. Publishing House.

Stockum testified as to his part as head of the engraving department of that house, in the preparation of the half-tone illustrations, which appear in the 1912 manual. He identified the 1912 manual, as also had Miss Smith and Matthews, as well as Langefeld, and stated that he had had charge of the work in producing the illustrations. The photographs were delivered to Stockum from their Photographing Department. From the negatives prints were taken and a "dummy" made. This "dummy" was a series of sheets containing the prints and the accompanying text matter which Mr. Wagner had gotten up with Miss Smith; the material contained in this "dummy" was to make up the proposed manual. (Stockum, Ib. 320-2; Wagner, p. 425, Ib.)

Printer Langefeld Determined Size of Sheets and Arrangement of Subject-Matter; Use of Dummy.

Langefeld, who had charge of the Printing Department of the U. B. Publishing House, testified that this "dummy" was delivered to him and he arranged the text matter and accompanying prints or illustrations in the most economical and best way for the display of the contents, with a view to size of paper best adapted to that kind of work. (Ib. 327-8.) He determined the arrangement of the contents and size of the sheets which would compose the manual. He also determined the number of pages in view of his knowledge of how the contents should be arranged and how the sheets of paper to be used could be cut into pages with the least waste of material. (Ib. 328.)

Mr. Wagner sums up the part the U. B. Publishing House took in producing these 1912 manuals; he says: "In the first place the cover was made from a drawing produced by an artist employed by the U. B. Publishing Company at Dayton, Ohio. The photographing of the models was performed by J. J. Matthews, who had charge of the Photographing Department of that establishment. The half-tones were made under the supervision of Mr. Stockum. The type was set and the printing performed by Mr. Langefeld, who was connected with the U. B. Publishing Company." (A. 103, Ib. 425.)

Cover Design Created by U. B. Artist.

As Mr. Wagner testified, the artist of the U. B. Publishing House designed the cover. Langefeld, head of the Printing Department, testified that Ted Schrock, their artist in the Engraving Department,

created the cover design which appeared on the 1912 manual.

No Other Manual of Anyone and None of Meccano Used in Production of American Model Builder Manuals Sold By Respondent.

The witnesses all testified that they had not seen any of the Meccano manuals, and that none were used in any way, shape or form, in the production of the 1912 American Model Builder manuals. Meccano was a totally unheard-of quantity in every way.

Stockum said he never saw any Meccano manual, and that no use was made of the Meccano manual. (Ohio Rec. 321.) Langefeld says he had never seen any publication of any kind like this, and none of Meccano. (Ib. 328.) Matthews was asked whether he used any of these publications or catalogs of Meccano in his work of photographing, or whether he had ever seen them, and answered in the negative. (Ib. 331.)

Miss Smith, the stenographer, who took Mr. Wagner's dictation of the lists of parts and descriptions of the models, testified that, during the time she was employed during 1912, she had not seen any publication of Meccano and had not seen any before she was employed there; she said: "I did not know that there was such a company in existence." (Ib. 339.)

Mr. Wagner testified that in preparation for the work, and during the period of the actual work on the 1912 manual, no use was made of the manual of Petitioner. (Ohio Rec. 425, Qs. 110, 111.) He had not seen a Meccano manual illustrating plates, but only one showing strips (Ib. 426, Q. 112); he had seen

nothing like the illustrations in the manuals of Petitioner exemplified by Exhibits 38 and 42.

No more complete and concise story, clearly and accurately stated, could be told than given by these five witnesses, of whom four are wholly disinterested.

The 1912 manuals sold by Respondent, therefore, amply met every test provided by the copyright law and do not in any particular infringe any work, because they are individual, independent and original productions without connection with any other in any particular.

Detail Statement of Method of Production of Respondent's 1913 Manual.

In the production of the 1913 manual, many of the models were built up by Alexander, or under his supervision, from ideas of his own or from those derived from publications or pictures dealing with machinery, and largely from suggestions received from customers who were users of American Model Builders and who had presented illustrations and descriptions of original models made up of American Model Builder parts, in their effort to secure a prize in the original prize contest instituted by Mr. Wagner in order to stimulate the interest of the users of these sets. (Alexander, Ohio Rec. 299, 300.)

Miss DeWitt, a stenographer, who took the dictation from Mr. Wagner for the description and count of parts for the 1913 manual, also testified as to the use of these customers' suggestions, and pointed out a number of models which were derived from that source, as well as identified the suggestions themselves. She also testified as to the originality of Mr. Wagner's work in producing this manual, in arrang-

ing it and in dictating the text-matter, which she wrote out from this dictation. She testified as to his doing this without assistance of any kind while dictating it, save the models or lists of parts which he had made up or had had made up. (Ib. 335-6.)

Mr. Wagner also testified as to these matters. (Ohio Rec. 429 *et seq.*, Qs. 129, 130, 133, 135.)

Wagner Saw Nothing Like Petitioner's Exhibits 38 and 42 Before He Prepared His 1912 Manuals.

The only thing that Mr. Wagner had ever seen and examined carefully had been the earlier manual he purchased in London in 1910, which showed strips only and no plates. This manual was an entirely different thing from Exhibits 38 and 42. (Ohio Rec., XQ. 95, p. 470-1.)

Not only was the work of Mr. Wagner and his associates entirely original and independent on their own part, but there was no possible chance for him to have copied, because he had never seen anything like the things which they claim he copied.

Petitioner's Parallel Columns.

In the lower Court Petitioner placed in parallel columns copies of some of the tables of contents appearing from page to page in Respondent's 1912 manual and Petitioner's Exhibit 38. We presume they will do so again. That was done in an effort to show sameness. But to the contrary this is the result:

(1) That the descriptive matter in Respondent's 1912 manual, read side by side with Petitioner's shows—(a) no copying and (b) no paraphrasing, but only such infrequent similar words here and there (not

phrases or sentences) as belong to the common mechanical devices under description.

(2) That the "Figs." as "Fig. 1," "Fig. 2," "Fig. 3," and on up, in Respondent's manual never correspond with the Figs. in Petitioner's manual for designating the different models.

(3) That the particular illustrations of the same or similar mechanical devices are always of a different perspective or point of view in the two books.

They called attention below to certain illustrations for comparison, specializing on—

Respondent's Fig. 45 and Petitioner's Fig. 65,

Respondent's Fig. 48 and Petitioner's Fig. 64.

But look at them.

Respondent's Fig. 45 (p. 28, 1912 manual) is a half-tone picture.

Petitioner's Fig. 65 (p. 25, Petitioner's Exhibit 38) is a wood cut picture—a wholly different process.

The roofs are wholly different; one-half of Respondent's roof is left off and the rear gable shown open, while Petitioner shows a complete roof with a heavy cornice.

Petitioner shows a floor at the base and an open car, while Respondent's have no floor at the base and show a closed car.

Finally, the perspectives of the one and the other are at wholly different angles, the end of the tower in Petitioner's being more fully shown and the side of the tower in Respondent's cut.

Respondent's Fig. 48 (p. 31) is a half-tone, while Petitioner's Fig. 64 is a wood cut.

In Respondent's the engine is approaching the observer, while in Petitioner's the engine is going from him, the position of the bridges being so different.

And the engines are wholly different, Respondent's having driving wheels, connecting rods, truck-wheels and cow-catcher, while Petitioner's has none of these several features, only four supporting wheels.

Tables of Contents.

They have also claimed that the tables enumerating the contents, page 46 Petitioner's Exhibit 38 and p. 56 Respondent's 1912 Manual, were substantially the same as to the specifications of parts for corresponding outfits. That was incorrect. Petitioner's said table is composed of 11 columns and 59 lines, while Respondent's is composed of 13 columns and 55 lines. In Respondent's table new features in the art, as their "collar and set-screw," "oscillating rack" and "eccentric drive-wheel" are enumerated, as also "crown" gears, "machine screws" and "round rubber pulley belt," which do not appear in Petitioner's table; while, as to the strips, angle-brackets, axles and pinions, though the wording is different, these parts belong to the art and are found in it.

Again, from "Respondent's Exhibit, Comparative Tables Nos. 1, 2, 3 and 4," introduced at p. 434 Ohio Rec. with Mr. Wagner's testimony, the fact appears that there are:

"26 models" illustrated in Respondent's 1912 manual not shown in Petitioner's 1911 manual; and

50 models in Respondent's 1913 manual not in Petitioner's 1913 manual.

From this consideration of the plain facts it is manifest that no case of copyright infringement can be laid against this Respondent for selling the manuals.

Petitioner's 1910 Uncopyrighted Manual Substantially Same as 1911 Copyrighted Material.

And back of all this comparison of the manuals of both parties is the other important fact that there is little or nothing in Petitioner's copyrights not published in Petitioner's earlier 1910 uncopyrighted manual (Exhibit 40).

Comparison of Manuals.

In Petitioner's brief in the Ohio suit they attempted a comparison of the 1912 and alleged 1911 copyrighted manuals of the parties. But the comparison suppressed the important fact that the printed matter, names of models, and lists of parts purporting to be covered by the copyrights of 1911, are found in Petitioner's uncopyrighted previous manual of 1910. We reproduce below practically all of the material pretended in the comparison to be new and copyrighted, in our right-hand column, and reproduce the like matter from the uncopyrighted older manual in our left-hand column.

From Meccano Uncopyrighted 1910 Manual, Exhibit No. 40.

"The strips are perforated with holes equi-distant."

"The axles fit any of the holes, and their position in the various designs can al-

From Meccano Copyrighted Manuals, Exhibits 38 and 42, Used in Petitioner's Comparative Table.

"The holes in the strips are equi-distant."

"The axles fit any of the holes and their positions in the various designs may be

**Uncopyrighted 1910 Manual
Continued.**

ways be ascertained by counting the holes."

"A very rigid connection is required, two bolts."

"Each model may, of course, be taken to pieces, and the same parts may be used to make up other models. Additional parts may be purchased at any time from your dealer, or direct from us."

"We are at all times glad to correspond with users of 'Meccano,' and to assist by suggestions or criticism, when difficulties occur with new Models."

"All our Models are built on sound and standard engineering principles, and that the parts employed represent the main mechanical parts used in machinery, such as levers, beams, wheels, axles, pulleys, worm - wheels, screws, bolts, keys, etc., so that as an introduction to the serious study of mechanics, the value of the hobby is very great indeed."

**1911 Copyrighted Manual
Continued.**

ascertained by counting the holes."

"A very rigid connection, two nuts and bolts."

"Each model may be taken in pieces, and the same parts may be used to make up other models. Additional parts can always be purchased from your dealer or from us."

"We are at all times glad to correspond with users of 'Meccano,' and to assist them by suggestions or criticisms when difficulties occur with new models."

"All the models shown are built upon sound and standard engineering principles, and the parts employed represent the main mechanical parts used in machinery, such as levers, beams, wheels, axles, pulleys, worm wheels, screws, bolts, keys, etc., so that as an introduction to the serious study of Mechanics the value of 'Meccano' is very great indeed."

Uncopyrighted 1910 Manual Continued.

1911 Copyrighted Manual Continued.

Fig. 2—"Truck."
 "Parts Required.
 5 5½" Perforated Strips.
 2 2½" Perforated Strips.
 4 Angle Brackets.
 2 5" Rods.
 4 1" Pulley Wheels.
 10 Nuts and Bolts.
 4 Keys."
 (P. 3.)

Fig. 7—"Truck." (P. 8.)
 "Parts Required.
 9 5½" Perforated Strips.
 10 2½" Perforated Strips.
 12 Angle Brackets.
 2 5" Rods.
 4 1" Pulley Wheels.
 26 Nuts and Bolts.
 4 Keys."

Fig. 10—"Luggage Truck."
 (P. 10.)

Fig. 13—"Luggage Barrow."
 (P. 12.)

Fig. 13—"Luggage Barrow."
 (P. 12.)
 "Parts Required.
 6 5½" Perforated Strips.
 13 2½" Perforated Strips.
 8 Angle Brackets.
 1 2" Rod.
 1 Bush Wheel.
 30 Nuts and Bolts.
 2 Keys."

Fig. 10—"Truck."
 "Parts Required.
 2 4½" Rods.
 4 1" Pulley Wheels.
 4 Keys.
 1 Large Rectangular Plate."

Fig. 4—"Truck."
 "Parts Required.
 4 5½" Perforated Strips.
 8 2½" Perforated Strips.
 8 Angle Brackets.
 2 4½" Rods.
 4 1" Pulley Wheels.
 20 Nuts and Bolts.
 4 Keys.
 1 Large Rectangular Plate."

Fig. 8—"Luggage Truck."

Fig. 9—"Luggage Barrow."

Fig. 9—"Luggage Barrow."
 "Parts Required.
 2 5½" Perforated Strips.
 9 2½" Perforated Strips.
 2 Angle Brackets.
 1 2" Rod.
 1 Bush Wheel.
 14 Nuts and Bolts.
 2 Keys.
 1 Sector Plate."

**Uncopyrighted 1910 Manual
Continued.**

**1911 Copyrighted Manual
Continued.**

**"Parts Required in Addition
to Outfit No. 1.**

1 2½" Perforated Strip.

Fig. 11—"Go Chair." (P. 11.)

Fig. 7—"Go Chair."

Fig. 6—"Railway Signal."
(P. 7.)

Fig. 1—"Railway Signal."

Fig. 12—"Step Ladder." (P.
11.)

Fig. 12—"Step Ladder."

Fig. 14—"Revolver Truck."
(P. 13.)

Fig. 3—"Revolver Truck."

Fig. 5 } "Windmill." (Pp. 6,
Fig. 19 } 17.)

Fig. 11—"Windmill."

Fig. 3—"Endless Rope Rail-
way." (P. 4.)

Fig. 11—"Endless Rope Rail-
way."

Fig. 16—"Ladder on
Wheels." (P. 14.)

Fig. 25—"Ladder on
Wheels."

Fig. 4 } "Traveling Jib
Fig. 18 } Crane." (Pp. 5, 15.)

Fig. 16—"Traveling Jib
Crane."

Fig. 8—"Model of Telfer
Span." (P. 9.)

Fig. 15—"Model of Telfer
Span."

Fig. 5 } "Windmill."
Fig. 19 } (Pp. 6, 17.)

Fig. 12—"Windmill."

Fig. 6—"Railway Signal."
(P. 7.)

Fig. 14—"Railway Signal."

Uncopyrighted 1910 Manual Continued.

1911 Copyrighted Manual Continued.

Fig. 19 — "Windmill." (P. 17.)

"Parts Required.

- 10 12½" Perforated Strips.
- 18 5½" Perforated Strips.
- 2 3½" Perforated Strips.
- 3 2½" Perforated Strips.
- 4 Angle Girders.
- 9 Angle Brackets.
- 1 5" Axle Rod.
- 1 Crank Handle.
- 2 1" Pulley Wheels.
- 1 Bush Wheel.
- 45 Nuts and Screws.
- 9 Keys.

Parts Required in addition
to Outfit No. 1.

- 4 12½" Perforated Strips.
- 8 5½" Perforated Strips.
- 1 3½" Perforated Strips.
- 4 Angle Girders.
- 15 Nuts and Screws.

"This model requires no special instructions. We would, however, say that with the assistance of the parts contained in the succeeding outfits a more elaborate mechanism may be arranged to enable it to be driven by an engine or other suitable motive power.

"This model also lends itself to further decorations by

Fig. 28 — "Windmill."

"Parts Required.

- 10 12½" Perforated Strips.
- 13 5½" Perforated Strips.
- 2 2½" Perforated Strips.
- 4 Angle Girders.
- 4 Angle Brackets.
- 1 5" Rod.
- 1 Crank Handle.
- 2 1" Pulley Wheels.
- 1 Bush Wheel.
- 37 Nuts and Bolts.
- 9 Keys.
- 2 Sector Plates.

Parts Required in addition
to Outfit No. 1.

- 6 12½" Perforated Strips.
- 9 5½" Perforated Strips.
- 4 Angle Girders.
- 1 5" Rod.
- 17 Nuts and Bolts.

"This model requires no special instructions. We would, however, say that with the assistance of the parts contained in the succeeding outfits a more elaborate mechanism may be arranged to enable it to be driven by an engine or other suitable motive power. This model lends itself to further decorations by means of col-

Uncopyrighted 1910 Manual Continued.

means of colored ribbons used in place of cord lacings; or as streamers."

Fig. 20—"Wheel." (P. 18.)

Fig. 4 } "Traveling Jib
Fig. 18 } Crane." (Pp. 5, 15.)

Fig. 21—"Bridge with Signals."

"Parts Required.

6 12½" Perforated Strips	
16 5½" Perforated Strips	6
2 3½" Perforated Strips	1

8 2½" Perforated Strips	
2 Angle Girders	2
8 Angle Brackets	
2 1" Pulley Wheels	
50 Nuts and Bolts	20

Fig. 30—"Cable Railway." (P. 19.)

Fig. 34—"Swivelling and Luffing Jib Crane." (P. 23.)

Fig. 33—"Tower Wagon." (P. 22.)

1911 Copyrighted Manual Continued.

ored ribbons used in the place of the cord lacings; or as streamers."

Fig. 29—"Wheel."

Fig. 27—"Traveling Jib Crane."

Fig. 31—"Bridge with Signals."

"Parts Required.

6 12½" Perforated Strips.
16 5½" Perforated Strips.
2 3½" Perforated Strips.
8 2½" Perforated Strips.

2 Angle Girders.
8 Angle Brackets.
2 1" Pulley Wheels.
50 Nuts and Bolts.

Parts Required in addition to Outfit No. 1.

2 12½" Perforated Strips.
12 5½" Perforated Strips.
1 3½" Perforated Strips.
2 Angle Girders.
30 Nuts and Bolts.

Fig. 41—"Cable Railway."

Fig. 45—"Swivelling and Luffing Jib Crane."

Fig. 43—"Tower Wagon."

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Continued. Continued.

Fig. 38 — "Inclined Delivery Shoot." (P. 28.)

Fig. 48 — "Inclined Delivery Shoot."

Fig. 37 — "Fire Escape."

Fig. 49 — "Fire Escape."

Fig. 35 — "Pit Headgear." (P. 25.)

Fig. 46 — "Pit Headgear."

"This is a most interesting model, showing the principle upon which minerals are raised from below the ground.

"This is a most interesting model, showing the principle upon which minerals are raised from below the ground."

"The front main uprights are formed by two angle girders overlapped in the third hole. Each of these two uprights are fastened together at the top by two angle brackets. Two $2\frac{1}{2}$ " strips are bolted horizontally at the top to carry the wheel over which the winding rope runs, and to connect the diagonal stays. To stiffen the structure one $5\frac{1}{2}$ " strip is fixed on each side connected in the eighteenth hole down on the upright, and the eleventh hole down on the stays. Two more $5\frac{1}{2}$ " strips are bolted together, and fastened on each side lower down.

"The front main uprights are formed by two angle girders overlapped in the third hole. Each of these two uprights are fastened together at the top by two angle brackets. Two $2\frac{1}{2}$ " strips are bolted horizontally at the top to carry the wheel over which the winding rope runs, and to connect the diagonal stays. To stiffen the structure one $5\frac{1}{2}$ " strip is fixed on each side connected in the eighteenth hole down on the upright, and the eleventh hole down on the stays. Two more $5\frac{1}{2}$ " strips are bolted together, and fastened on each side lower down."

"The framework in which the cage moves is formed by connecting a $5\frac{1}{2}$ " strip with a $12\frac{1}{2}$ " strip in the fourth hole to form the uprights.

"The framework in which the cage moves is formed by connecting a $5\frac{1}{2}$ " strip with a $12\frac{1}{2}$ " strip in the second hole to form the uprights.

Uncopyrighted 1910 Manual Continued.

These are connected by $5\frac{1}{2}$ " strips to the main uprights."

"The hoisting mechanism is operated by the crank handle, upon which is keyed a $\frac{3}{4}$ " pinion engaging a gear wheel connected with the spindle over which the hoisting rope is wound."

Fig. 36 — "Level Crossing Gates." (P. 26.)

"This model, if constructed with care, is a most admirable one, as the gates are opened simultaneously by the operation of one lever."

"Figure 36-b is an inverted perspective view showing the arrangement of operating cord 1 which is passed from the operating lever 2, around the corner pulleys 3, and back to lever 2. In order to obtain a better grip on the pulleys, it is desirable to wind the operating cord twice around them. It is to be noted that the cord 1 is wound in opposite directions around the diagonal pairs of pulleys 3."

Fig. 40 — "Flying Machine." (P. 29.)

"Most boys will have seen the Maxim Flying Machine

1911 Copyrighted Manual Continued.

These are connected by $5\frac{1}{2}$ " strips to the main uprights."

"The hoisting mechanism is operated by the crank handle, upon which is keyed a $\frac{3}{4}$ " pinion engaging a gear wheel connected with the spindle over which the hoisting rope is wound."

Fig. 47 — "Level Crossing Gates."

"This model, if constructed with care, is a most admirable one, as the gates are opened simultaneously by the operation of one lever."

"Fig. 47-b is an inverted view showing the arrangement of operating cord 1 which is passed from the operating lever 2 around the corner pulleys 3, and back to the lever 2. In order to obtain a better grip on the pulleys, it is desirable to wind the operating cord twice around them. It is to be noted that the cord 1 is wound in opposite directions around the diagonal pairs of pulleys 3."

Fig. 60 — "Flying Machine."

"Most boys will have seen the Maxim Flying Machine

**Uncopyrighted 1910 Manual
Continued.**

at work, and will hardly fail to be interested in constructing a working model of it."

Fig. 45 — "Warehouse with Elevator." (P. 36.)

Fig. 44 — "Trolley Crane." (P. 35.)

Fig. 42 — "Travelling Crane." (P. 32.) (See Barnes patent, 1881.)

Fig. 58 — "Telpher Line." (P. 48.)

"The figure represents a Telpher Line such as is used in hilly countries for transporting loads across intervening valleys."

Fig. 57 — "Signal Gantry." (P. 46.)

Fig. 55 — "Coal Tip." (P. 43.)

Fig. 54 — "Travelling Gantry." (P. 41.)

Fig. 59 — "Rotating Crane." (P. 49.)

Fig. 60 — "Flip-Flap." (P. 51.)

**1911 Copyrighted Manual
Continued.**

at work, and will hardly fail to be interested in constructing a working model of it."

Fig. 65 — "Warehouse with Elevator."

Fig. 44 — "Trolley Crane."

Fig. 61 — "Travelling Crane."

Fig. 64 — "Suspension Bridge."

Fig. 74 — "Telpher Line."

"This figure represents a Telpher Line such as used in hilly countries for transporting loads across intervening valleys."

Fig. 77 — "Signal Gantry."

Fig. 73 — "Coal Tip."

Fig. 75 — "Traveling Gantry."

Fig. 82 — "Rotating Crane."

Fig. 83 — "Flip-Flap."

Uncopyrighted 1910 Manual Continued.	1911 Copyrighted Manual Continued.
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Fig. 62 — "Aeroplane." (P. 55.)	Fig. 62—"Aeroplane."
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Fig. 64—"Big Wheel." (P. 60.)	Fig. 86—"Big Wheel."
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P. 62. See table of "Contents of Outfits."

P. 46. See table of "Contents of Outfits."

Thus practically all the alleged copyrighted matter in the right-hand columns is old, uncopyrighted matter, previously published in the uncopyrighted manual circulated in 1910.

The names of the parts in the lists, as nuts and screws, angle brackets, perforated strips, perforated plates, were old, common terms open to every one to use.

The various names of the models enumerated in the right-hand columns, besides being, practically all of them, in the uncopyrighted 1910 manual, are names of common articles, as railway signals, step-ladder, go-chair, pulley shaft, windmill, ladder on wheels (common in shoe stores), traveling jib crane, swing, scales, etc.

Of the 66 models numbered and illustrated in Respondent's 1912 manual, but five models were referred to in Petitioner's comparisons made in the Ohio suit. The number of parts contained in each of the remaining 61 models varies so widely from Petitioner's that they did not invite comparison. The copyrights are clearly void.

The Court in that case selected defendant's Fig. 48 Respondent's 1912 manual for comparison with

plaintiff's Fig. 64, to show infringement, saying "the conclusion cannot be escaped that one was copied from the other." (Ohio Rec. 538.) We invite a close comparison.

Defendant's Fig 48 is a half-tone, Petitioner's a wood-cut; defendant's is about a fourth larger than Petitioner's; in Respondent's the tracks are above the floor beams, in Petitioner's below or in line with the beams; in Respondent's the engine is twice as large as Petitioner's, is a different type, and is shown from the front and not the rear. One is not a copy of the other. The principles of *Lamb v. Grand Rapids Furniture Co.*, 39 F. 474, apply forcibly.

This disposes of the claim that Respondent has infringed the copyrighted manuals or has done any act of unfair trade respecting the manuals.

System of Selling Supplementary Outfits Not Covered by Copyright.

"A claim to the exclusive property in a peculiar **system** of bookkeeping cannot, under the law of copyright, be maintained by the author of a treatise in which that system is exhibited and explained." (Head-note in *Baker v. Selden*, 101 U. S. 96, 106.)

So in this case, Petitioner cannot exclusively control the **system** of selling supplementary sets of toys. Besides this system is old in the Richter 1887 catalog and the Von Leistner-Harris Instruction Sheets, used in connection with the manufacture and sale in 1897 and later of the toys shown in the Von Leistner patent contained in this Record.

XIV.

Illegal Importation of Petitioner's 1911 Copyrighted Manuals, Exhibits 38 and 42, Printed in England Violates Copyright Statute.

A Question of Law this Court Appears Never to Have Decided.

It is:

Can a foreign holder of a copyright of the United States maintain an action for alleged infringement thereof after exporting into the United States large quantities of the copyrighted work bearing the United States copyright notice but printed abroad, in contravention of Secs. 15 and 31 of the Copyright Act of 1909?

Upon the cross-examination of Mr. Hills, active man in the United States Sales Agency of Petitioner, the following situation developed:

(1) That between August, 1911, and August, 1912, from 10,000 to 15,000 individual sets of Meccano were sold in the United States.

(2) That each main outfit contained a copy of the 1911 copyrighted manuals of instruction, which were **printed in England** and were like the copies in evidence marked Plaintiff's Exhibits 38 and 42.

(3) That the boxes containing the outfits and 1911 copyrighted manuals were received into this country from England wrapped and sealed in a paper cover.

(4) That no manuals of instructions printed in the United States were shipped to England to be placed in boxes and re-shipped to America. (XQ. 434 *et seq.*, Ohio Rec. 222-3; RXQs. 487-90, *Ib.* 232.)

It also appeared from the cross-examination of Mr. Hills that not more than 200 copies each of manuals like 38 and 42 had been printed in the United States. (Ib. 222.)

What had been the source of the remaining thousands of manuals like Exhibits 38 and 42, which had been sold by Petitioner in this country bearing the copyright notice of the United States and which had not been manufactured here according to the requirements of the United States copyright law?

The Answer.

The answer to this question is best stated in the words of this representative of the Petitioner in the United States, who received these shipments from England containing specimens of the manuals like 38 and 42. Mr. Hills said:

"XQ. 437. Then, what would you say as to where those manuals were printed which were not printed in America, which bore the copyright notice of the United States and which were shipped from England in sealed boxes and thus sold to the public?

"A. I cannot state that definitely, but to the best of my knowledge these manuals were printed in England.

"XQ. 438. Then, to the best of your knowledge, manuals copyrighted in the United States, and bearing the copyright notice of the United States, were printed in England, and sold in America, is that true?

"A. Yes, that is correct." (Ib. 223.)

The Statute.

The importation, to the extent of many thousand copies of manuals printed in England, bearing the

copyright notice of the United States is a violation of the copyright law of March 4, 1909, Sec. 31. From the requirements of manufacture in this country already mentioned, compliance with which must be sworn to, and the penalty for violation of which is a fine of \$1,000 and forfeiture of the copyright, it is plainly evident that the whole spirit and letter of the Act of 1909 look to the **manufacture in the United States** of books eligible for copyright under the United States law, except in some few specified instances.

Sec. 31 says: "That during the existence of the American copyright in any book the importation into the United States of any piratical copies thereof or of any copies thereof (**although authorized by the author or proprietor**) which have not been produced in accordance with the manufacturing provisions specified in Sec. 15 of this Act * * * shall be, and is hereby, prohibited." (Black face ours.)

The Effect.

This section of the statute was violated wholesale by the importation into this country of thousands of manuals like 38 and 42, printed in England, and bearing the copyright notice of the United States.

The object of this conduct was to avoid compliance with the intent of the copyright law to have the works protected by American copyright manufactured in the United States, and nowhere else. To suit a convenience of this complainant it wilfully violated the statute and now comes into this Court asking the protection of the law under which it acquired these grants, after having violated in a wholesale manner

the same authority under which they now claim protection.

Penalty.

The result of this wilful violation of the statute is three-fold:

(1) The rights acquired, if any were, are lost. A wholesale violator of a statute cannot disregard the fundamental purpose of the whole law and still retain his rights under it, claiming its fruits and advantages.

(2) A violator of this statute is without "clean hands," and cannot come into a court of equity and ask for a recovery under the statute he has violated, whether there has been infringement or not. In this case, to the contrary, defendant has not infringed—is the producer of independent works protected by copyright.

(3) As the notices of copyright on these illegally imported manuals like 38 and 42 were notices that were printed in England, they were not notices at all under our copyright act, and hence the circulation of these imported manuals here was a dedication of their contents under this act.

The statute provides a particular remedy for cases of this sort, when the "importation does **not** involve wilful negligence or fraud." In that case, to protect mistaken parties, the lightest penalty is the deportation of all the offending publications, either by the Secretary of the Treasury, because the importation would be a violation of the custom revenue laws, or at the direction of a federal court. But in this case the time has passed by for this remedy, the offending manuals having in 1911 passed into the trade and

CONCLUSION

been long since lost; and the continued and persistent acts of complainant in the illegal importation for a year show "wilful negligence." Plaintiff, therefore, cannot now take anything under these copyrights.

On the whole, the copyright branch of the bill should, we submit, be dismissed for want of equity.

Conclusion.

We now feel justified in asking this Court to adjudge—

(1) That under the Singer case, Petitioner cannot erect at this time a perpetual or unending exclusive proprietary right in the functional mechanical elements in question for making models of larger known structures, such elements and the method of putting them together now belonging to the general public because of:

(a) The judicial termination of Petitioner's patent on which it sued.

(b) The full disclosure of this constructional toy system in the prior art on which said patent met its just end.

(2) That the judgment of the Circuit Court of Appeals for the Second Circuit was Right!

(3) That the judgment of the Circuit Court of Appeals for the Sixth Circuit was Wrong!

(4) That no case of copyright piracy has been made by Petitioner.

(5) That for the violation of the United States copyright act by the unlawful importation of Meccano Manuals, Petitioner has lost its copyright registrations.

And finally, we may say, that Petitioner, having hastened to bring the New York suit against Wanamaker before the Ohio suit matured into a final decree,

CONCLUSION

and having lost in the Wanamaker suit, is now insisting that the Ohio interlocutory decree is a final decree, just as though Petitioner had waited for it to become final.

The Court of Appeals for the Sixth Circuit itself defined its "decree entire" as "of an interlocutory character." It did this in its order of November 14, 1918, embodied in its return to the mandamus petition filed by the Ohio defendants. The order reads as follows:

"Ordered, upon application of the Meccano, Ltd., bearing date October 23, 1918, responded to on October 26th by the American Mechanical Toy Company, that the true intent and meaning of the order entered herein October 18th * * * [as to striking out portions of the decree entered by the lower Court] is that the decree entire be treated as one of an interlocutory character, so that the accounting and all steps looking to a final decree might be proceeded with in the ordinary and regular course of such cases." (P. 4 of the Response of the Court of Appeals for the Sixth Circuit filed on the Mandamus Petition.)

In concluding that response the Court of Appeals offered to make any order modifying this interlocutory decree that this Court might intimate without issuing a mandamus. They said:

"If it should appear to the Supreme Court that the balance of equities require a stay of proceedings in the District Court, as requested by the mandamus petition and the motion filed with us, and that we have jurisdiction to make such an order, we are entirely ready to comply with any announcement of the Supreme Court to that effect, and the issue of any writ of mandamus will be unnecessary." (P. 7 of the Response to the Mandamus Petition.)

CONCLUSION

If it had regarded its decree, entered at a former term, as a final decree, it would not have made this proposal. And we have just seen that it did define this "decree entire" as "interlocutory."

But Petitioner is urging that it be treated as final as to a part and interlocutory as to another part—the accounting. This would be to split the decree in two, one part being appealable within six months, under the Evarts Act, Sec. 11, and the other part within thirty days, under Sec. 7 of the same Act.

So to merely state the proposition of splitting a single decree into two characters, one final and the other interlocutory, is enough to defeat the proposition.

Congress recognized in the Evarts Act that there were two kinds of decrees, one final and appealable within six months, and the other interlocutory and appealable within thirty days. And up to that time there had been no appeals from the Circuit Courts to this Court except from final decrees—indeed, interlocutory decrees were not appealable at all in the Federal Courts and had never been, which was contrary to the practice in the House of Lords and the High Court of Chancery of England, where appeals were allowed from interlocutory decrees or orders. We have understood that it was this system of interlocutory appeals which led to the abuses so forcibly denounced in Jarn-
dyce and Jarndyce.

And in recognition of the necessity for a final decree this Learned Court never entertained any appeals in cases of this kind until after the accounting had been completed and embodied in the ultimate decree of a lower Court. The reports of the decisions of this Court abound in instances where it reversed such final

CONCLUSION

decrees either on the patent questions or on the accounting questions, thus dealing with such decrees as final in character, because the question of recovery or no recovery, in profits and damages, was included in the decrees.

Respectfully submitted,

H. A. TOULMIN,

H. A. TOULMIN, Jr.,

Counsel for Respondent.

January, 1920.

Appendix.

Respondent's Memorandum Opposing Petitioner's Motion.

The poorly disguised purpose behind this motion is:

(a) To try and escape the direct presentation of the real question involved herein, to-wit, whether Petitioner can have a perpetual monopoly in this class of constructional toys notwithstanding that its patent has terminated; this being the question as to which the conflict of opinion has arisen between the two Courts of Appeals; and

(b) To try and make the real question in the case rather that of whether the Court of Appeals for the Second Circuit should have followed the Court of Appeals for the Sixth Circuit on some theory of *res adjudicata*, or estoppel, as advanced by Petitioner; on which theory its counsel seem to have greater hope with *Singer v. June* staring them in the face.

Scope of the Bill. (See pp. 4, 5, *Supra*.)

We there pointed out, and we repeat, that the bill of complaint against Respondent covers not only the toys and catalogues or trading manuals which have been purchased from the Ohio defendant, but also extends to and embraces any other constructional toys and trade manuals therefor by whomsoever produced—about a dozen different similar makes being on the market when this suit was brought. (Ohio Rec. 443 *et seq.*)

As also pointed out at page 5, *supra*, to avoid this broad effect of the bill, and in an endeavor to limit it

to the toys and catalogues Respondent bought from the Ohio manufacturer, Petitioner recently unsuccessfully sought to obtain leave from the District Court in New York, his Honor Judge Mayer, to so amend this bill as to confine its averments and prayers strictly to Respondent's business in the Ohio product. Judge Mayer, in denying said motion to reform and change the scope of the bill, said:

"This is a motion for leave to amend the complaint herein in certain respects, in order to limit the cause of action to unfair copyright infringement alone on account of 'American Model Builder' product and manuals alone, or, in the alternative, for leave to apply to the Supreme Court of the United States for permission to have such amendment filed in this Court.

"The views of the Circuit Court of Appeals for the Second Circuit are set forth in the opinions reported in 250 Fed. Rep. 250 and 450. * * *

"The application of plaintiff to amend is opposed by defendant, *inter alia*, on the following grounds:

"(2) That the proposed amendments narrow the charges against the defendant Wanamaker, and make out a case different from that made in the original bill now before the Supreme Court and that was before the Court of Appeals for the Second Circuit when it made its decision adverse to this plaintiff. And, therefore, the decision to be rendered by the Supreme Court, based on the allegations of the bill now before it, and defendant's answer and the proofs, may not be in harmony with the bill if changed by these amendments.

"(3) We also oppose the application to amend because the defendant has acquired certain affirmative rights and a certain status as respects the original bill as drawn, which attacked his right

to deal in toys of this character generally, while these amendments would restrict his right to deal in a particular toy of this character. The broader question is before the Supreme Court on the original bill. * * *

"* * * What is asked is that this Court shall permit the Complaint to be amended so as to change the scope or extent of the controversy now pending in the Supreme Court. If it be assumed, for the purpose of the argument, that the Court has the power sought to be invoked, I have great doubt as to the propriety of this Court entertaining the motion."

We note again the undisclosed real purpose of this proposal to "disclaim," and urge the following grounds in opposition to the motion:

Consent Respondent Essential to Change Scope of Bill.

(1) That this Respondent has never **consented** to this change in the scope of the bill under which it was brought into Court, and on which it has acquired its adjudicated right to sell constructional toys.

In *Chicago & Alton R. R. Co. v. Union Rolling Mill Co.*, 109 U. S. 702, 713, this Court said:

"But this latter rule [that complainant may dismiss a bill on payment of costs] is subject to a distinct and well-settled exception, namely, that after a decree, whether final or interlocutory, has been made, by which the rights of a party defendant have been adjudicated, or such proceedings have been taken as entitle the defendant to a decree, the complainant will not be allowed to dismiss his bill without the **consent of the defendant.**"

Lower Court Decided Case on Present Bill.

(2) That the Court of Appeals for the Second Cir-

cuit has adjudicated in favor of the Respondent the very point in issue as to which the Petitioner now, at this late date, seeks to amend or disclaim.

250 F. 250, (rendered on Petitioner's motion for a judgment on the merits).

250 F. 450, (rendered in reversing the injunctive order).

In respect to the first of these decisions the Court of Appeals for the Second Circuit held that the issues involved "not only the defendant's right to sell Wagner toys and manuals [the toys and manuals furnished by the Ohio manufacturer], **but any others which it may procure elsewhere**"; adding that they "had no right to assume" that Respondent had "abandoned all rights, except that of getting the toys and manuals" from Wagner. (250 F. 252; Rec. 147.)

Here was an adjudication made on the original bill by the Court of Appeals in favor of Respondent. To change that bill in the manner now proposed would be to deprive Respondent of this adjudicated right. And it was for this reason that the District Court in New York refused to allow Petitioner to amend its bill of complaint to the same effect as Petitioner now is attempting to do indirectly under the guise of a disclaimer.

In respect to the second of these decisions, the Court of Appeals held that Respondent could sell the competing toys of any make so long as Respondent did not palm them off as Petitioner's. The Court said:

"The defendant has, of course, the right to sell as much as it can of the outfit which gives it the greatest profit, and to press that outfit upon its customers as against the other." (The "other"

refers to the Meccano outfit.) 250 F. 452.

Here again the Court of Appeals adjudicated Petitioner's right to deal generally in these structural toys, and based that adjudication on the original bill which was not limited to the toys manufactured by the Ohio manufacturer.

In further support of these two grounds of opposition—that Respondent has never **consented** to have the bill changed in the manner proposed, and that Respondent holds an adjudication in its favor on the bill as originally drawn—the following cases are respectfully called to the attention of this Court:

Amendment Must Create No Disadvantage.

(1) That an amendment must not deprive the defendant of any defense or **create any disadvantage** to him. *Richmond v. Irons*, 121 U. S. 47.

No Substantial Amendment to be Made in This Court.

(2) That a party can make no substantial amendment in this Court. If the pleadings or evidence are so defective that no decree can be founded on them, but the case seems to have merit, then this Court will reverse the decree and remand the cause to the Court below with directions to permit amendments and further proof. That appears to be the course to take, rather than to permit here "substantial amendments." *Brig Caroline*, 7 Cranch 496, 500; *Mary Ann*, 8 Wheat. 380; *The Mabey*, 10 Wall. 419, 420.

Decision of Lower Court on Motion to Discontinue Not Reviewed Here.

(3) Unless there is an obvious violation of a fun-

damental rule of a court of equity or an abuse of the discretion of the Court, the decision of a motion for leave to discontinue will not be reviewed here. *Pullman Palace Car Co. v. Central Transportation Co.*, 171 U. S. 138, 146.

Petitioner's motion before Judge Mayer was an attempt, and this disclaimer is the same attempt under another guise, to discontinue part of this action. Under this *Pullman* case such a motion decided by the lower Court "will not be reviewed here." It was probably to avoid this rule laid down by this Court that Petitioner has sought to file this disclaimer, rather than to repeat here the motion it made before Judge Mayer, as the latter course would have, in effect, involved a review of his ruling.

Lower Courts' Decision on Motion to Amend Not Reviewable Here.

(4) Again, the general rule is well settled that amendments are discretionary with the Court below, and therefore, the allowance or refusal of amendments by the trial Court is not reviewable here, except for a clear abuse. *Mandeville v. Wilson*, 5 Cranch 15; *Gormelly v. Bunyan*, 138 U. S. 623; *Royal Insurance Co. v. Miller*, 199 U. S. 353; *Sawyer v. Piper*, 189 U. S. 154; *Bullett County v. Washer*, 130 U. S. 142.

This Court Will Not Direct Lower Court, Etc.

(5) This Court will not direct the Court below to allow the proceedings to be amended. *Sheeley v. Mandeville*, 6 Cranch 253.

Amendment Not Allowed to Change Quantity of Relief.

(6) It has been frequently decided that the amendment permitted by Equity Rule 29, that is, after replication, is not intended to permit the plaintiff to **strengthen his case, or change the character and quantity of relief**, but to enable the Court to do complete justice when a case for plaintiff is made out, and not specifically asked for in the prayer. *Richmond v. Irons*, 121 U. S. 47; *The Tremolo Patent*, 23 Wall. 527

Consent to Amendments Necessary.

(7) The practice in this Court when amendments are necessary is to remand the cause to the lower Court. The only exception to the rule is when counsel on both sides have agreed to the amendments. *Kennedy v. Georgia State Bank*, 8 How. 586, 611.

In view of these several considerations and of the cases cited we beg to submit that this belated attempt to amend or disclaim should not be allowed. They drew their bill as they desired. They then lost on it entirely. Now, at this late day, they wish to change the character and quantity of the relief, hoping thereby to strengthen their case or to create disadvantage to Respondent.

As Mr. Justice Matthews said in *Richmond v. Irons*:

“Undoubtedly great caution should be exercised when the application comes after the litigation has continued for some time. * * *”
(P. 47.)

And as also said by Mr. Justice Strong in the Tremolo case *supra*:

“It is true that an amendment which changes

the character of the bill ought not generally to be allowed after a case has been set for a hearing, and still less after it has been heard." (P. 527.)

All this is nothing short of experimenting with the Courts—having lost below with the bill in one form, they propose now to try it in this Court in another form.

**MECCANO, LIMITED, *v.* JOHN WANAMAKER,
NEW YORK.**

**CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE
SECOND CIRCUIT.**

No. 187. Argued January 26, 27, 1920.—Decided May 17, 1920.

A decree of the Circuit Court of Appeals in a suit for infringement of patent and copyright and for unfair competition, is reviewable by this court on certiorari, as if on appeal. P. 140. Jud. Code, §§ 128, 240.

136.

Opinion of the Court.

An order of the Circuit Court of Appeals reversing an order of the District Court awarding a preliminary injunction will not be reversed by this court unless clearly erroneous. P. 141.

Upon appeal from an order granting a preliminary injunction, it is proper for the Circuit Court of Appeals to consider a change of circumstances resulting from the reversal of a decree in another circuit upon which the District Court relied. *Id.*

Upon an appeal under Jud. Code, § 129, from an order granting a preliminary injunction against the defendant, it would be erroneous for the Circuit Court of Appeals to grant a final decree for the plaintiff upon proof by affidavit of a recent decree in another circuit claimed to work an estoppel in plaintiff's favor; for defendant must have opportunity to set up and establish its defenses. *Id.*

A conflict of views claimed to exist between the Circuit Court of Appeals in this case and a Circuit Court of Appeals of another circuit in a suit over the same subject and, as claimed, between the same parties in interest, held not to justify this court in deciding the merits on interlocutory appeal. P. 142.

250 Fed. Rep. 450, affirmed.

THE case is stated in the opinion.

Mr. Reeve Lewis, with whom *Mr. C. A. L. Massie*, *Mr. W. B. Kerkam* and *Mr. Ralph L. Scott* were on the brief, for petitioner.

Mr. H. A. Toulmin, with whom *Mr. H. A. Toulmin, Jr.*, was on the brief, for respondent.

MR. JUSTICE McREYNOLDS delivered the opinion of the court.

Proceeding against Wagner and others in the United States District Court, Southern District of Ohio, Meccano, Limited, obtained a decree (July 8, 1916) affirming the validity, and restraining infringement, of its patent for mechanical toys, also restraining unfair competition in making and selling such toys and the further infringement of its copyright upon trade catalogue and illus-

trated manual relating thereto. 234 Fed. Rep. 912. An appeal was taken to the Circuit Court of Appeals, Sixth Circuit. The same corporation instituted the present suit in the United States District Court, Southern District of New York (December 9, 1916) seeking like relief against John Wanamaker, a customer of Wagner.

The trial court granted a preliminary injunction, asked upon the bill, supporting affidavits and exhibits—January 12, 1917. It expressed general agreement with the conclusions announced in the Ohio cause and said: "It seems quite apparent that the patent is infringed and that diagrams and directions as to construction have been borrowed by defendant from complainant's copyrighted catalogues, and that the system of construction adopted by the defendant is a direct imitation of complainant's system." An appeal followed; pending which the Circuit Court of Appeals, Sixth Circuit (November, 1917) reversed the Ohio District Court's decree so far as it sustained the patent, approved it otherwise, and remanded the cause for further proceedings. 246 Fed. Rep. 603.

January 25, 1918, after argument but before determination of appeal from the preliminary order, petitioner moved for final decision on the merits, claiming that the decree of the Circuit Court of Appeals, Sixth Circuit "is final and conclusive as to the case at bar, under the principles enunciated by the Supreme Court." Being opposed, the motion was denied—March 24, 1918. The court said of it:

"This was a motion for a 'decision on the merits of this cause' by this court under the following circumstances. A suit was brought in the District Court for the Southern District of New York for an injunction for infringement of a copyright, and of a patent, and for unfair competition in the manufacture of a mechanical toy in absolute imitation of the plaintiff's. The plaintiff applied for and got

an injunction *pendente lite*, from which the defendant appealed. That appeal is still pending undetermined in this court. Meanwhile the plaintiff had in the District Court required the defendant to answer certain interrogatories by which it appeared that the defendant procured from one Wagner, the toys which it sold in alleged unfair competition and in violation of the patent, and also the 'manuals' which went with the toys and explained their uses, which are alleged to infringe the copyright. The interrogatories further showed that Wagner had agreed to hold the defendant harmless for any sales of the toys and manuals, and that in pursuance of that undertaking he had taken a share in the defense of this suit. While it did not appear exactly what that share was, it may be assumed for the purposes of the motion only, that Wagner has assumed the chief conduct of the case and that the defendant remains only formally represented.

"The plaintiff sued Wagner in Ohio upon the three same causes of equity and obtained a decree upon all. Later an appeal was taken to the Circuit Court of Appeals for the Sixth Circuit and the decree was affirmed except as to the patent, which was declared invalid and which the plaintiff has now withdrawn from this suit. No final decree has been entered and the Ohio cause now stands for an accounting in the district court. This motion is upon the record in the Ohio suit which is made a part of the moving papers and it presupposes that this court may pass a final decree for the plaintiff upon the appeal from the injunction *pendente lite* upon the assumption that that record is a complete estoppel against the defendant here and leaves open no issues for determination between the parties."

"We pass the question of practice whether this court under the doctrine of *Mast, Foos & Co. v. Stover*, 177 U. S. 488, may enter a decree for the plaintiff upon such

an appeal as that now pending. *Mast, Foos & Co. v. Storer, supra*, was a case where the bill was dismissed and no case has so far held that the plaintiff could obtain an affirmative decree. As we think the motion must be denied upon the merits, we leave open the question whether the plaintiff may in any event so terminate the litigation. . . . It is apparent that some of the issues are different from those litigated in Ohio; they involve not only the defendant's rights to sell Wagner's toys and manuals, but any others which it may procure elsewhere. . . . At best the rule in *Mast, Foos & Co. v. Storer, supra*, is limited to those cases in which the court can see that the whole issues can be disposed of at once without injustice to the parties. Whatever may be the result here, it is apparent that the case involves more than can be so decided."

April 15, 1918, the court below reversed the challenged preliminary order. After stating that the trial court very naturally followed the Ohio District Court, it referred to the partial reversal of the decree there announced and expressed entire agreement with the Circuit Court of Appeals, Sixth Circuit, in holding the patent invalid. And, having considered the evidence relating to copyright and unfair competition, it found no adequate ground for an injunction. 250 Fed. Rep. 450. The cause comes here by certiorari. See *Ex parte Wagner*, 249 U. S. 465.

Decrees by Circuit Courts of Appeals are declared final by § 128, Judicial Code, in cases like the present one. We, therefore, had authority to bring this cause up by certiorari and may treat it as if here on appeal. Section 240, Judicial Code; *Harriman v. Northern Securities Co.*, 197 U. S. 244, 287; *Denver v. New York Trust Co.*, 229 U. S. 123, 136. The power of Circuit Courts of Appeals to review preliminary orders granting injunctions arises from § 129, Judicial Code, which has been often considered. *Smith v. Vulcan Iron Works*, 165 U. S. 518;

Mast, Foos & Co. v. Stover Manufacturing Co., 177 U. S. 485, 494; *Harriman v. Northern Securities Co.*, *supra*; *United States Fidelity & Guaranty Co. v. Bray*, 225 U. S. 205, 214; *Denver v. New York Trust Co.*, *supra*. This power is not limited to mere consideration of, and action upon, the order appealed from; but, if insuperable objection to maintaining the bill clearly appears, it may be dismissed and the litigation terminated.

The correct general doctrine is that whether a preliminary injunction shall be awarded rests in sound discretion of the trial court. Upon appeal, an order granting or denying such an injunction will not be disturbed unless contrary to some rule of equity, or the result of improvident exercise of judicial discretion. *Rahley v. Columbia Phonograph Co.*, 122 Fed. Rep. 623; *Texas Traction Co. v. Barron G. Collier, Inc.*, 195 Fed. Rep. 65, 66; *Southern Express Co. v. Long*, 202 Fed. Rep. 462; *City of Amarillo v. Southwestern Telegraph & Telephone Co.*, 253 Fed. Rep. 638. The informed judgment of the Circuit Court of Appeals exercised upon a view of all relevant circumstances is entitled to great weight. And, except for strong reasons, this court will not interfere with its action. No such reasons are presented by the present record.

Pending the New York appeal the situation underwent a radical change—the Circuit Court of Appeals, Sixth Circuit, reversed the decree upholding petitioner's patent. Evidently the trial court had granted the preliminary injunction in entire reliance upon that decree and after its reversal the court below properly took notice of and considered the changed circumstances. *Gulf, Colorado & Santa Fe Ry. Co. v. Dennis*, 224 U. S. 503, 505, 506.

Petitioner maintains that its motion for final decree upon the merits should have been sustained. But the appeal was from an interlocutory order and the court could only exercise powers given by statute. On such an appeal a cause may be dismissed if it clearly appears that

no ground exists for equitable relief; but finally to decide a defendant's rights upon the mere statement of his adversary, although apparently supported by *ex parte* affidavits and decrees of other courts, is not within the purview of the act. He is entitled to a day in court with opportunity to set up and establish his defenses. The motion for final judgment was properly overruled. *Eagle Glass & Manufacturing Co. v. Rowe*, 245 U. S. 275, 281.

Petitioner's motion to enter a disclaimer must be denied.

If the two Circuit Courts of Appeals have expressed conflicting views we cannot now declare which is right or undertake finally to decide the several issues involved upon their merits. The matter for review here is the action of the courts below upon the preliminary order for injunction and we may go no further. *Leeds & Catlin Co. v. Victor Talking Machine Co.*, 213 U. S. 301, 311; *Lutcher & Moore Lumber Co. v. Knight*, 217 U. S. 257, 267.

The judgment of the Circuit Court of Appeals is affirmed. The cause will be remanded to the District Court for further proceedings in conformity with this opinion.

Affirmed.